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| COURT | COURT OF KING'S BENCH OF ALBERTA |
| JUDICIAL CENTRE | CALGARY |
| PROCEEDING | IN THE MATTER OF THE RECEIVERSHIP OF SAFEGUARD REAL ESTATE INVESTMENT FUND IV LIMITED PARTNERSHIP AND CEP LP INVESTMENT CORP. |
| PLAINTIFF | CONNECT FIRST CREDIT UNION LTD. |
| DEFENDANTS | SAFEGUARD REAL ESTATE INVESTMENT FUND IV LIMITED PARTNERSHIP AND CEP LP INVESTMENT CORP. |
| DOCUMENT | **FOURTH REPORT OF THE RECEIVER, BDO CANADA LIMITED DECEMBER 2, 2024** |

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**FOURTH REPORT OF THE RECEIVER**
**BDO CANADA LIMITED**
**DECEMBER 2, 2024**

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## INTRODUCTION

1. On December 4, 2020, Connect First Credit Union Ltd., ("**CFCU**") sought and obtained an Order (the "**Receivership Order**") of this Honourable Court appointing BDO Canada Limited (the "**Receiver**") as receiver and receiver and manager of the assets, undertakings and properties ("**Property**" or the "**Properties**") of Safeguard Real Estate Investment Fund IV Limited Partnership ("**Safeguard IV**") and CEP LP Investment Corp. ("**CEP**"). Safeguard IV and CEP shall collectively be referred to as "**Safeguard**" or the "**Debtor**".

2. The Property had consisted of thirty-two (32) separate titled retail and office space units ("**Units**") located on floors one through seven and the tenth floor and thirty-two (32) separate titled parking stalls ("**Parking Stalls**") located at the civic address of 396-11 Avenue SW, Calgary Alberta (the "**Building**").

3. Prior to the issuance of the Receivership Order, the Property was subject to a Judicial Listing Order (the "**Foreclosure Action**") for the listing and sale by Unit (or groupings of Units), with two (2) retail units and two (2) parking stalls being sold pursuant to Court Order and prior to the Receivership Order. Specifically, during the Foreclosure Action, two retail Units and two parking stalls were sold to New Sun Holdings Ltd. ("**New Sun Holdings**") which were described as Units 1, 2, 60 and 92 of Condominium Plan 0811241 (the "**New Sun Properties**").

4. The Receiver submitted its first report dated June 14, 2021 (the "**First Report**") to this Honourable Court seeking and obtaining the following relief:

   (a) approval to remove the New Sun Properties from these Receivership proceedings;

   (b) approval for an increase in the Receiver's Borrowing Charge from $250,000 to $2,650,000, primarily for the purpose of funding the Property Tax Arrears, 2021 Taxes and Condo Arrears, as defined therein; and,

   (c) approval of the terms of proposed sales and lease listing agreements with Avison Young Commercial Real Estate Services, LP ("**Avison Young**").

5. Also, on June 14, 2021, the Receiver prepared and submitted a Confidential Supplement to the First Report (the "**Confidential Supplement to the First Report**") to provide supplemental information to the Court with respect to:

   (a) Commentary and potential valuation indicators as obtained from two separate proposals/analysis submitted by two experienced commercial realtors in the Calgary market;

   (b) The Receiver's preliminary comments with regards to the Property expected to affect the marketing process and ultimate realizations from such Property; and

(c) The Receiver's correspondence with Ryan Murphy of Jones Lang LaSalle, the former Judicial Listing Agent (the "**Judicial Agent**") in the Foreclosure Action initiated prior to the receivership and the Altus Opinion of Value upon which the Receiver understands the judicial listing prices were based.

6. As the Confidential Supplement to the First Report contained commercially sensitive information including the Receiver's and the Realtors comments with respect to the Property and potential expectations of value from such Property, which could have a material impact on any ultimate sale, the Receiver sought and was granted a sealing order on June 21, 2021 ordering that the Confidential Supplement to the First Report be sealed until the expiry of three months from the date of the closing of any ultimate sale of the last of the Units in the Property (the "**First Sealing Order**").

7. On January 10, 2022, the Receiver submitted its second report (the "**Second Report**") and its confidential supplement to the Second Report (the "**Confidential Supplement to the Second Report**") to this Honourable Court seeking and obtaining among other relief, the following:

(a) Approval of the Receiver's activities since the First Report;

(b) Approval of the Receiver's and its Counsel's fees as outlined therein;

(c) Approval of a sealing order for the Confidential Supplement to the Second Report until the expiry of three months from the date of the closing of any ultimate sale of the last of the Units in the Property; and,

(d) Approval of a sale of a 10th floor Unit and Parking Stall pursuant to a conditional transaction (the "**238 APA**") with 2382036 Alberta Ltd. ("**2382036**") in the form appended to the Receiver's Confidential Supplement to the Second Report and the vesting of the Purchased Assets therein to 2382036.

8. On January 20, 2022, the Court issued three separate orders: approving the Receiver's activities and fees (the "**Approval of Activities and Fees Order**"), approving the proposed sale contemplated by the 238 APA and the vesting of the Assets therein to the Purchaser (the "**238 Sale Approval Order**"); and, approving the sealing of the Confidential Supplement to the Second Report (the "**Second Sealing Order**").

9. On March 25, 2022, the Receiver submitted its third report (the "**Third Report**") and its confidential supplement to the Third Report (the "**Confidential Supplement to the Third Report**") to this Honourable Court seeking and obtaining among other relief, the following:

(a) Approval of the activities of the Receiver since the Second Report;

(b) Approval of a sealing order for the Confidential Supplement to the Third Report until the expiry of three months from the date of the closing of any ultimate sale of the last of the Units in the Property; and,

(c) Approval of a sale of two Units located on the 6th floor and 2 Parking Stalls pursuant to a conditional transaction (the "**CASCADE APA**") with Cascade Capital Ltd. ("**Cascade**") in the form appended to the Receiver's Confidential Supplement to the Third Report and the vesting of the Purchased Assets therein to Cascade.

(d) An overview of the non-commercially sensitive terms of the Cascade APA; and

(e) The Receiver's recommendations in respect of the foregoing, as applicable.

10. On April 7, 2022, the Court issued three separate orders: approving the Receiver's activities (the "**Approval of Activities Order**"), approving the proposed sale contemplated by the Cascade APA and the vesting of the Assets therein to Cascade (the "**Cascade Sale Approval Order**"); and, approving the sealing of the Confidential Supplement to the Third Report (the "**Third Sealing Order**").

11. The purpose of this report (the "**Fourth Report**") is to provide this Honourable Court with:

(a) A summary of the material activities of the Receiver since the Third Report;

(b) An update of the Avison Young sales and marketing process (excluding confidential and commercially sensitive aspects of such process which as discussed below are disclosed in the Confidential Supplement to the Fourth Report), which led to the Receiver entering into:

i. a conditional Asset Purchase Agreement with TDT Real Estate Management & Holding Corp. (**"TDT"**) dated May 21, 2024 with such amendments thereto (the "**TDT APA**");

ii. a conditional Asset Purchase Agreement with CAKO Holdings Ltd. (**"CAKO"**) dated October 28, 2024 (the "**CAKO APA**");

iii. a conditional Asset Purchase Agreement with S&O Law Holdings Inc. (**"S&O"**) dated November 15, 2024 (the "**S&O APA**");

The TDT APA, the CAKO APA and the S&O APA shall collectively be referred to as the "**Fourth Report Sales Transactions**".

(c) An overview of the non-commercially sensitive terms of the Fourth Report Sales Transactions;

(d) An interim statement of receipts and disbursements to October 31, 2024 (the "**Interim October 2024 SRD**");

(e) Details of the professional fees of the Receiver and Denton's Canada LLP, in its capacity as independent legal counsel to the Receiver ("**Counsel**"), incurred after to the Second Report to the present; and

(f) The Receiver's recommendations in respect of the foregoing, as applicable.

12. Concurrent with the filing of this Fourth Report, the Receiver will be filing a confidential supplement to the Fourth Report (the "**Confidential Supplement to the Fourth Report**"), providing supplemental information with respect to the terms and copies of the unredacted TDT APA, CAKO APA and S&O APA as well as updated market information as provided by Avison Young from that originally provided in the Confidential Supplement to the Third Report.

13. Given the commercially sensitive nature of such information as it relates to the ultimate value likely to be derived from future sales of the remaining Units of the Property, the Receiver will be respectfully requesting and is recommending that the Confidential Supplement to the Fourth Report be sealed until the expiry of three months from the date of the closing of any ultimate sale of the last of the Units in the Property, in the event that this Honourable Court grants such future relief.

14. Capitalized terms not otherwise defined in this Fourth Report are as defined in the First Report, the Confidential Supplement to the First Report, the Second Report, the Confidential Supplement to the Second Report, the Third Report, the Confidential Supplement to the Third Report, the Receivership Order, the Application, or the Affidavit of Olakunle Popoola (the "**Initial Affidavit**") sworn on November 13, 2020, as the context requires.

15. A copy of this Fourth Report, the Receivership Order, the First Report, the Second Report, the Third Report, the Initial Affidavit and other relevant documents pertaining to these receivership proceedings will be available on the Receiver's website at https://www.bdo.ca/en-ca/extranets/safeguardIV.

16. All references to currency are in Canadian dollars unless otherwise noted.

## TERMS OF REFERENCE

17. In preparing this Fourth Report and the Confidential Supplement to the Fourth Report, the Receiver has relied upon a review of publicly available information, information provided by CFCU, discussions and correspondence with Avison Young, discussions with and review of certain books and records provided by Barclay Street Real Estate Ltd. ("**Barclay**") in its capacity as the Property Manager.

18. The Receiver has not audited, or otherwise attempted to verify the accuracy or completeness of the information provided in a manner that would wholly or partially comply with Canadian Auditing Standards ("**CAS**") pursuant to the Chartered Professional Accountants of Canada Handbook and, accordingly the Receiver expresses no opinion or other form of assurance contemplated under the CAS in respect of the Information.

19. This Fourth Report has been prepared for the use of this Court in respect of the above-noted relief. This Fourth Report should not be relied upon for any other purpose. The Receiver will not assume responsibility or liability for losses incurred as a result of the circulation, publication, reproduction or use of this Fourth Report contrary to the provisions of this paragraph.

## ASSETS AVAILABLE FOR SALE / LEASE

20. As a result of the removal of the New Sun Properties from the Receivership Proceedings as outlined above, the Safeguard assets initially available for sale and/or lease by the Receiver were thirty (30) Units and thirty (30) Parking Stalls.

21. With respect to the initial 30 office space Units comprising the Property, based on the information obtained and reviewed to date, the total registered condominium plan size is approximately 55,000 sq. ft. and the Gross Rentable Area (i.e. including an allocation of common area) appears to be approximately 67,000 sq. ft.

22. As a result of the Court approved sale of Units 43 and 128 pursuant to the 238 Sale Approval Order, together with the Court approved sale of Units 24, 25, 95, 96 and 97 pursuant to the Cascade APA and a sale of an exterior Parking Stall known as 111 to New Sun Holdings, as detailed further below, the specific Property remaining available for sale/lease by the Receiver is:

    (a) Condominium Plan 0811241

        i. Units 3 to 23 inclusive;

        ii. Units 26 to 31 inclusive;

        iii. Unit 73;

        iv. Units 93 and 94;

        v. Units 98 to 100 inclusive;

        vi. Unit 103;

        vii. Unit 105;

viii. Unit 107; and

ix. Units 112 to 127 inclusive.

23. The Receiver notes that despite having unique civic addresses and legal descriptions, on the majority of the floors, there are no structural delineations of the individual Units such that as you exit the elevator onto a floor, access is provided to the entire floor and the individual Units have not been demised. As an illustration and as outlined in the Third Report, the Cascade APA contemplated that two of the five Units on the 6th floor would be demised by Cascade, thereby leaving a smaller residual space available for sale on the 6th floor. The S&O APA relates to the remaining three Units on the 6th floor.

24. The Receiver has not yet incurred the cost to demise any further remaining spaces to retain the flexibility to sell multiple Units to one user in which case the cost may not be required. Subject to any future offers received for the remaining Units (after completion of the Fourth Report Sale Transactions contemplated herein in the event the Court grants such requested relief), the Receiver notes that formal demising may need to be completed as part of the ongoing sales process.

*Operational status*

25. At the inception of these proceedings, two leases were in place, however both leases have since expired and have not been renewed or replaced, therefore the Property is currently 100% vacant.

26. The Receiver has entered into various month-to-month rentals of Parking Stalls with third parties. As a result of the Fourth Report Sale Transactions outlined herein, the Receiver has issued formal termination notice to the Parking Stall tenants which are occupying Parking Stalls that are contemplated in the sales.

27. The current parking receipts total approximately $7,000 per month. Relative to the condo fees associated with occupying the Property, there is a significant monthly shortfall which has been funded to date by CFCU secured by Receiver's Certificates issued to date.

## ACTIVITIES OF THE RECEIVER

28. Subsequent to the Third Report, the Receiver's activities have included, *inter alia*:

***Closing of the Cascade APA***

29. Following the granting of the Cascade Sale Approval Order, the Receiver and its Counsel attended to closing the sale transaction contemplated by the Cascade APA, which transaction closed on April 29, 2022.

***Sale of Parking Stall 111***

30. The sale of an exterior surface parking stall legally known as: Condominium Plan 0811241; Unit # 111 to New Sun Holdings with the support of CFCU for an amount which did not require court approval pursuant to paragraph 3 (k)(i) of the Receivership Order, which sale was completed on October 31, 2024.

***Liaising with Avison Young with respect to the continuing sales process***

31. The Receiver has continued to liaise with Avison Young to administer its sales process, including assisting in the facilitation of due diligence requests as appropriate and seeking and obtaining CFCU and stakeholder input with respect to the status of market interest.

32. As outlined further below, and in consultation with CFCU, the Receiver has negotiated and entered into the TDT APA, CAKO APA and the S&O APA for the sale of a total of thirteen office space Units on the 7th, 6th and 5th floors respectively, together with a total of fourteen Parking Stalls.

***Property Tax Appeals***

33. In consultation with the estate stakeholders and given the depressed market sales and property valuations in the Calgary market the Receiver engaged and facilitated Altus Group Limited ("**Altus**") filing appeals of the assessed values for property tax purposes resulting in a significant tax savings for the 2023 tax year.

34. As a result of the 2023 tax appeal, the Receiver (with the approval of the stakeholders) negotiated and entered into a settlement agreement with the City of Calgary which resulted in a further approximate 40% decrease in the annual property taxes relative to 2023. Upon receipt of the credit, the Receiver funded the 2024 taxes prior to the deadline.

***Tenant Management***

35. Liaising with the office and parking tenants as required, including following up with overdue amounts if and when required and/or return of deposits when monthly rental arrangements are terminated.

***Correspondence with insurers***

36. Ongoing review of the insurance needs and coordinating annual renewal coverage and changes to existing coverage (i.e. removal of Units sold) as necessary.

***Meetings and discussions with stakeholders***

37. The Receiver has held discussions and correspondence with stakeholders to the estate, including representatives of CFCU with respect to the status of the sales process and offers received within such process, as well as the estate finances, including borrowing sufficient funds to satisfy ongoing property taxes;

***Other matters***

38. The Receiver has attended to various other administrative matters as they pertain to the Receivership.

## LISTING AGREEMENTS AND MARKETING PROCESS

39. Paragraph 3(l) and 3(m) of the Receivership Order respectively provide the Receiver with the authority:

(a) To market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate; and

(b) To sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business:

i. Without the approval of this Court in respect of any transaction not exceeding $250,000 provided that the aggregate consideration for all such transactions does not exceed $250,000; and

ii. With the approval of this Court in respect of any transaction in which the purchase price or aggregate purchase price exceeds the applicable amount set out in the preceding clause.

40. Based on the foregoing, the Receiver sought and obtained listing proposals for the marketing and sale and/or lease of the Property and pursuant to the approval of this Court, entered into Sales and Lease Listing Agreements with Avison Young. Immediately thereafter, Avison Young commenced its marketing and sale process which includes, but is not necessarily limited to, the following:

(a) Posting the Avison Young Marketing Material to the Avison Young website which at the date of the Third Report, Avison Young indicated that the opportunity was sent to 1,372 unique Avison Young contacts. Avison Young has subsequently advised that due to a system conversion, they are unable to access metrics for the remainder of 2023, but that in 20243, they have continued to advertise the opportunity to over 794 contacts/clients, alongside further outreach to the brokerage community and their client base;

(b) Highlighting the Safeguard opportunity in Avison Young's monthly e-mail marketing campaign sent to the Calgary real estate brokerage community;

(c) Posting signage at two locations on the exterior of the Property; and

(d) Communicating the opportunity to industry contacts, conducting tours and responding to interested parties as appropriate.

## PROPOSED TERMS OF THE FOURTH REPORT SALES TRANSACTIONS

41. Based on the marketing efforts described above, and following consultation with CFCU, and for the reasons set out in the Confidential Supplement to the Fourth Report, the Receiver (as '**Vendor**') has entered into the TDT APA, the CAKO APA, and the S&O APA as discussed below:

TDT APA

42. The TDT APA, executed on May 21, 2024 together with four amending agreements, contains, *inter alia*, the following material terms:

(a) The Property purchased includes five office condo Units on the 7th floor (Condominium Plan 0811241 – Units 27-31) and six Parking Stalls (Condominium Plan 0811241 - Units 73, 115, 116, 117, 118 and 119);

(b) a Financing Condition and a Due Diligence Condition, both as defined therein, which were waived by the Purchaser on October 23, 2024;

(c) Purchased assets to be acquired on an "as is, where is" basis;

(d) Deposit of $100,000;

(e) Purchase Price – [Redacted but will be provided to the Court in the Confidential Supplement to the Fourth Report];

(f) Closing date of December 20, 2024 provided there is satisfaction or waiver of all of the conditions set forth in Article 6 of the TDT APA, which as at the date of this Fourth Report, requires only approval by this Court.

43. A copy of the TDT APA, including all amendments thereto, with the commercially sensitive details redacted, is attached as **Appendix "A"**.

CAKO APA

44. The CAKO APA, dated October 28, 2024, contains, *inter alia*, the following material terms:

(a) The Property purchased includes five office condo Units on the 6th floor (Condominium Plan 0811241 – Units 17-21) and five Parking Stalls (Condominium Plan 0811241 – Units 93, 94, 98, 99 and 100):

(b) Conditional solely on court approval;

(c) Purchased assets to be acquired on an "as is, where is" basis;

(d) Deposit of $157,500;

(e) Purchase Price – [Redacted but will be provided to the Court in the Confidential Supplement to the Fourth Report];

(f) Closing date of December 31, 2024, or such other business day as the parties may agree in writing.

45. A copy of the CAKO APA with the commercially sensitive details redacted, is attached as **Appendix "B"**.

S&O APA

46. The S&O APA, dated November 15 2024, contains, *inter alia*, the following material terms:

(a) The Property purchased includes the remaining three office condo Units on the 6th floor (Condominium Plan 0811241 – Units 22, 23 and 26) and three Parking Stalls to be determined mutually between the Receiver and S&O;

(b) Conditional on both a financing condition and a due diligence condition, which are to be waived by the Purchaser on, or before, December 9, 2024, highlighting that as of the date of this Fourth Report, the S&O remains conditional;

(c) Purchased assets to be acquired on an "as is, where is" basis;

(d) Deposit of $87,132;

(e) Purchase Price – [Redacted but will be provided to the Court in the Confidential Supplement to the Fourth Report];

(f) Closing date of February 27, 2025, following satisfaction or waiver of all of the conditions set forth in Article 6 of the S&O APA.

47. A copy of the S&O APA with the commercially sensitive details redacted, is attached as **Appendix "C"**.

## RECEIVER'S COMMENTS ON THE FOURTH REPORT SALES TRANSACTIONS

48. An unredacted copy and additional information of the material components of the Fourth Report Sales Transactions, and other qualitative and quantitative comments and analysis obtained from Avison Young is included in the Confidential Supplement to the Fourth Report. The Receiver re-confirms for this non-confidential report that it is of the opinion that the Fourth Report Sales Transactions are reasonable and appropriate in the circumstances, as:

(a) The sales process has been conducted by individuals at Avison Young specializing in the marketing and sale of similar assets;

(b) The Property has been adequately exposed to the market for an extended period of time. As a result, it is unlikely whether a further extension of the process would identify any potential purchasers who have not already been made aware of the fact that the Property is available for sale;

(c) The sales process has been conducted efficiently with integrity and good faith and there has been no unfairness in the sales process conducted, or in the negotiations of the Fourth Report Sales Transactions;

49. The Receiver has been in frequent contact with CFCU, the first ranking secured creditor and financer of the Receiver's Borrowings during the course of these proceedings. The Receiver understands that, notwithstanding the deficiency CFCU is forecast to incur, in the circumstances, CFCU is supportive of the Fourth Report Sales Transactions.

50. Based on the terms of the Fourth Report Sales Transactions, the current economic condition and vacancy in the Calgary office market illustrated by the market interest to date, together with the updates from Avison Young relating to comparable sales, as outlined in the Confidential Supplement to the Fourth Report, the Receiver believes that the terms and value of the Fourth Report Sales Transactions are fair and reasonable in the circumstances and hereby requests the Court's approval of such transactions and the vesting of the Purchased Assets in and to the Purchasers upon the Receiver filing a certificate confirming that the transactions subject to the individual sale agreements have closed.

## STATEMENT OF RECEIPTS AND DISBURSEMENTS

51. Attached as **Appendix "D"** is a copy of the Interim October 2024 SRD for the period December 4, 2020 to October 31, 2024 illustrating that the Receiver is holding approximately $104,291.

52. As is outlined therein, receipts relate primarily to advances from CFCU in relation to the Court approved increase in the Receiver's Borrowing Charge; together with sales completed to date and lease/rental income from the Safeguard tenants. Disbursements relate primarily to the Property Tax Arrears and ongoing Property Taxes, Condo Arrears, condo fees paid for the period December 2020 to October 2024, insurance and professional fees as discussed below.

## PROFESSIONAL FEES

53. As outlined in the November 2024 SRD, the Receiver and its Counsel have been paid $137,238 and $42,150 respectively from the Safeguard estate with the material activities as summarized in the First Report, Second Report and Third Report.

54. In addition to these amounts, the Receiver and Counsel have unpaid accounts receivable and outstanding WIP in the respective amounts of $107,721 and $22,710 to the end of November 30, 2024 incurred substantially with respect to the activities described herein, noting that the Receiver has not issued an invoice for services subsequent to December 31, 2022.

55. The Receiver believes that the foregoing fees are appropriate and reasonable in the circumstances given, *inter alia*:

(a) The approximately 4 year period of the receivership proceedings thus far, including the resulting interaction with the Safeguard tenants; and

(b) The process undertaken with respect to the selection of Avison Young as Listing Agent, together with the activities undertaken to date with respect to the ongoing sales process as described herein.

**RECOMMENDATIONS**

56. The Receiver is respectfully seeking and recommending this Honourable Court grant an Order to:

(a) Approve the Receiver's activities as outlined herein;

(b) Approve the Receiver's November 2024 SRD;

(c) Approve the Receiver's and its Counsel's fees as outlined herein;

(d) Approve a sealing order for the Confidential Supplement to the Fourth Report until the expiry of three months from the date of the closing of any ultimate sale of the last of the Units in the Property;

(e) Approve the proposed sale contemplated in the form of the TDT APA included in the Receiver's Confidential Supplement to the Fourth Report and the vesting of the Purchased Assets therein to TDT;

(f) Approve the proposed sale contemplated in the form of the CAKO APA included in the Receiver's Confidential Supplement to the Fourth Report and the vesting of the Purchased Assets therein to CAKO; and,

(g) Approve the proposed sale contemplated in the form of the S&O APA included in the Receiver's Confidential Supplement to the Fourth Report and the vesting of the Purchased Assets therein to S&O.

All of which is respectfully submitted this 2nd day of December, 2024.

**BDO Canada Limited**
In its capacity as Receiver of Safeguard Real Estate Investment Fund IV Limited Partnership and CEP LP Investment Corp. and not in its personal or corporate capacity.

Per: 

Kevin Meyler, CA, CPA, CIRP, LIT
Senior Vice President



Angelo Consoli, CA, CPA, CIRP, LIT
Vice President

# APPENDIX “A”

**ASSET PURCHASE AGREEMENT #80026**

**May 21, 2024**



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**ASSET PURCHASE AGREEMENT** dated _ **May 21, 2024**

**BETWEEN:**

**BDO CANADA LIMITED** in its capacity as Receiver, without security, of all of the current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof, of Safeguard Real Estate Investment Fund IV Limited Partnership and CEP LP Investment Corp. and not in its personal or corporate capacity (the "**Vendor**")

- and -

**TDT REAL ESTATE MANAGEMENT & HOLDING CORP.,** a body corporate, having an office in the City of **Edmonton** in the Province of **Alberta** (the "**Purchaser**")

**WHEREAS:**

A. Pursuant to the provisions of, among other things, the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**"), the Alberta Court of Queen's Bench (the "**Court**") granted a receivership order appointing BDO CANADA LIMITED as receiver and receiver and manager, without security, of all of the current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof, of Safeguard Real Estate Investment Fund IV Limited Partnership ("**Safeguard**") and CEP LP Investment Corp. ("**CEP**", together with Safeguard, collectively the "**Debtor**") on December 4, 2020(the "**Receivership Order**");

B. In connection with the Receivership Proceedings (as defined herein) and the Receivership Order, the Vendor, subject to approval by the Court, has agreed to sell, transfer and assign to the Purchaser, all of the right, title and interest of the Vendor to the Purchased Assets, and the Purchaser has agreed to purchase the Purchased Assets from the Vendor, on the terms and conditions set forth herein;

**NOW THEREFORE** this Agreement witnesses that in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged by each Party to the other, the Parties agree as follows:

## ARTICLE 1
## INTERPRETATION

1.1 **Definitions**

In this Agreement:

(a) "**Acceptance Date**" means the date both parties execute and deliver this Agreement;

(b) "**Affiliate**" means, with respect to any person, any other person or group of persons acting in concert, directly or indirectly, that controls, is controlled by or is under common control with such person. The term "control" as used in the preceding sentence means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a person whether through ownership of more than 50% of the



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voting securities of such person, through being the general partner or trustee of the other person, or through contract or otherwise;

(c) "**Agreement**" means this asset purchase agreement and any Schedule attached hereto;

(d) "**Applicable Law**" means, in respect of any person, assets, transaction, event or circumstance:

(i) statutes (including regulations enacted thereunder);

(ii) judgments, decrees and orders of courts of competent jurisdiction;

(iii) regulations, orders, ordinances and directives issued by Government Authorities; and

(iv) the terms and conditions of all permits, licences, approvals and authorizations;

which are applicable to such person, asset, transaction, event or circumstance;

(e) "**BIA**" has the meaning ascribed to that term in the recitals;

(f) "**Business Day**" means a day other than a Saturday, Sunday or any other day on which the principal chartered banks located in Calgary, Alberta are not open for the transaction of domestic business during normal banking hours;

(g) "**Claim**" means any right or claim of any person that may be asserted or made in whole or in part against the Debtor or any of its Affiliates and their respective directors, officers, employees, agents or advisors, whether or not asserted or made, in connection with any indebtedness, liability or obligation of any kind whatsoever, and any interest accrued thereon or costs payable in respect thereof, including without limitation, by reason of the commission of a tort (intentional or unintentional), by reason of any breach of contract or other agreement (oral or written), by reason of any breach of duty (including, without limitation, any legal, statutory, equitable or fiduciary duty) or by reason of any right of ownership of or title to property or assets or right to a trust or deemed trust (statutory, express, implied, resulting, constructive or otherwise), and whether or not any indebtedness, liability or obligation is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, present or future, known or unknown, by guarantee, surety or otherwise, and whether or not any right or claim is executory or anticipatory in nature including, without limitation, any right or ability of any person to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause or chose in action whether existing at present or commenced in the future, together with any other rights or claims of any kind that, if unsecured, would be a debt provable in bankruptcy within the meaning of the BIA had the Debtor become bankrupt;

(h) "**Closing**" means the completion of the purchase by the Purchaser and sale by the Vendor of the Purchased Assets and the completion of all other transactions contemplated by this Agreement that are to occur contemporaneously with such sale, all subject to and in accordance with the terms and conditions of this Agreement;



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(i) "**Closing Date**" means **August 26, 2024** providing there is first satisfaction or waiver of all of the conditions set forth in Article 6 hereof (or such other Business Day as the Parties may agree in writing);

(j) "**Confidentiality Agreement**" means the confidentiality agreement made between the Parties, dated **June 14, 2023**;

(k) "**Court**" has the meaning ascribed to that term in the recitals;

(l) "**Court Approval**" means the approval of the Transaction by the Court; pursuant to the terms of an approval and vesting order that is satisfactory, in both form and substance, to the Parties;

(m) "**Data Room Information**" means all information made available (by the Receiver, is Representative, or otherwise) for the Purchaser's review in relation to the Debtor, its Affiliates and the Purchased Assets;

(n) "**Debtor**" has the meaning ascribed to that term in the recitals;

(o) "**Deposit**" has the meaning ascribed to that term in Section 3.2;

(p) "**Effective Time**" means 12:01 a.m. (Calgary time) on the Closing Date;

(q) "**Encumbrances**" means any pledges, liens, security interests, encumbrances, claims, charges, options or interests;

(r) "**Environment**" means the components of the earth and includes ambient air, land, surface and subsurface strata, groundwater, surface water, all layers of the atmosphere, all organic and inorganic matter and living organisms, and the interacting natural systems that include such components, and any derivative thereof shall have a corresponding meaning;

(s) "**Environmental Liabilities**" means all past, present and future liabilities, obligations and expenses in respect of the Environment which relate to the Purchased Assets (or lands pooled or unitized with lands which may form part of the Purchased Assets), or which arise in connection with the ownership thereof or operations pertaining thereto, including liabilities related to or arising from:

(i) transportation, storage, use or disposal of toxic or hazardous substances;

(ii) release, spill, escape, emission, leak, discharge, migration or dispersal of toxic or hazardous substances; or

(iii) pollution or contamination of or damage to the Environment;

including liabilities to compensate Third Parties for damages and Losses resulting from the items described in items (i), (ii) and (iii) above (including damage to property, personal injury and death) and obligations to take action to prevent or rectify damage to or otherwise protect the Environment;



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(t) "**Final Statement of Adjustments**" has the meaning ascribed to that term in Section 3.5;

(u) "**GAAP**" means accounting principles generally accepted in Canada including those recommended or approved by the Canadian Institute of Chartered Professional Accountants at the relevant time including to the extent applicable, international financial reporting standards;

(v) "**Governmental Authority**" means any domestic or foreign government, whether federal, provincial, state, territorial or municipal; and any governmental agency, ministry, department, tribunal, commission, bureau, board or other instrumentality exercising or purporting to exercise legislative, judicial, regulatory or administrative functions of, or pertaining to, government, having jurisdiction over a Party, the Purchased Assets or the Transaction;

(w) "**Governmental Order**" means any order, writ, judgment, injunction, decree, stipulation, determination or award entered by or with any Governmental Authority;

(x) "**GST**" means taxes, interest, penalties and fines imposed under Part IX of the *Excise Tax Act* (Canada) and the regulations made thereunder; and "**GST Legislation**" means such act and regulations collectively;

(y) "**Income Tax Act**" means, collectively, the *Income Tax Act*, R.S.C. 1985, c.1 (5th Supplement), the *Income Tax Application Rules*, R.S.C. 1985, c.2 (5th Supplement) and the *Income Tax Regulations*, in each case as amended to the date hereof;

(z) "**Interim Statement of Adjustments**" has the meaning ascribed to that term in Section 3.5;

(aa) "**Leases**" means the Vendor's Interest, if any, in the leasing and financing agreements set forth in Schedule [**N/A**] to this Agreement;

(bb) "**Legal Proceeding**" means any litigation, action, suit, investigation, hearing, claim, complaint, grievance, arbitration proceeding or other proceeding and includes any appeal or review or retrial of any of the foregoing and any application for same;

(cc) "**Losses**" means any and all assessments, charges, costs, damages, debts, expenses, fines, liabilities, losses, obligations and penalties, whether accrued or fixed, absolute or contingent, matured or unmatured or determined or determinable, including those arising under any Applicable Law, Claim by any Governmental Authority or Governmental Order and those arising under any contract, agreement, arrangement, commitment or undertaking and costs and expenses of any Legal Proceeding, assessment, judgment, settlement or compromise relating thereto, and all interest, fines and penalties and reasonable legal fees and expenses incurred in connection therewith (on a full indemnity basis);

(dd) "**Notice Period**" has the meaning ascribed to that term in Section 8.2(b);

(ee) "**Parties**" means, collectively, the Purchaser and the Vendor, and "**Party**" means any one of them;



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(ff) "**Permitted Encumbrances**" means those Encumbrances set out in Schedule "A" to this Agreement;

(gg) "**Person**" means any individual, corporation, limited or unlimited liability company, joint venture, partnership (limited or general), trust, trustee, executor, Governmental Authority or other entity;

(hh) "**Prime Rate**" means the rate of interest, expressed as a rate per annum, designated by the main branch in Calgary, Alberta of **Toronto-Dominion Bank** as the reference rate used by it to determine rates of interest charged by it on Canadian dollar commercial loans made in Canada and which is announced by such bank, from time to time, as its prime rate, provided that whenever such bank announces a change in such reference rate then the "Prime Rate" for the purposes of this Agreement shall correspondingly change effective on the date the change in such reference rate is effective;

(ii) "**Property**" means the condominium unit(s) legally described as:

Parcel 1:
**CONDOMINIUM PLAN 0811241, UNIT 27 - CALGARY, AB - LINC# 0033 123 092**

Parcel 2:
**CONDOMINIUM PLAN 0811241, UNIT 28 - CALGARY, AB - LINC# 0033 123 100**

Parcel 3:
**CONDOMINIUM PLAN 0811241, UNIT 29 - CALGARY, AB - LINC# 0033 123 118**

Parcel 4:
**CONDOMINIUM PLAN 0811241, UNIT 30 - CALGARY, AB - LINC# 0033 123 126**

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Parcel 5:
**CONDOMINIUM PLAN 0811241, UNIT 31 - CALGARY, AB - LINC# 0033 123 134**

Clerical note: Parcels 1-5 make up the entirety of floor seven. The Vendor will notify the Purchaser of anything to the contrary.

Parcel 6-11:
**6 Parking underground Stalls Under CONDOMINIUM PLAN 0811241 to be chosen by the Vendor**

(including all fixtures and improvements located therein);

(jj) "**Purchased Assets**" means all of the Vendor's Interest in and to the Property and all of the Vendor's Interest in and to the equipment and personal property used in connection with the Property including, without limitation, those assets set out in Schedule **B** hereto;

(kk) "**Purchase Price**" has the meaning ascribed to that term in Section 3.1;

(ll) "**Purchaser's Conditions**" means the conditions set forth in Section 6.2;



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(mm) "**Purchaser's Solicitor**" means **Forum Law LLP**, attention: **Muhammed-Ali Yassin**;

(nn) "**Receiver**" means BDO Canada Limited, in its capacity as the Court-appointed receiver and receiver and manager of all of the Debtor's current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof;

(oo) "**Receivership Proceedings**" means the proceedings where the Receiver was appointed, namely Alberta Court of Queen's Bench Action No. 1801-06804;

(pp) "**Receivership Order**" has the meaning ascribed to that term in the recitals;

(qq) "**Representative**" means, in respect of a person, each director, officer, employee, agent, legal counsel, accountant, professional advisor and other representative of such person and its Affiliates, and with respect to the Vendor, includes the Receiver and their respective Affiliates, directors, officers, employees, agents, legal counsel, accountants, professional advisors and other representatives;

(rr) "**Tax Legislation**" means, collectively, the Income Tax Act and all Canadian federal, provincial, state, territorial, county, municipal and local, foreign, or other statutes, ordinances or regulations imposing a Tax, including all treaties, conventions, rules, regulations, orders, and decrees of any jurisdiction;

(ss) "**Tax**" or "**Taxes**" means all taxes, assessments, charges, dues, duties, rates, fees, imposts, levies and similar charges of any kind lawfully levied, assessed or imposed by any Governmental Authority under any applicable Tax Legislation, including, Canadian federal, provincial, state, territorial, county, municipal and local, foreign or other income, capital, capital gains, goods and services, sales, use, consumption, excise, value added (including GST and Harmonized Sales Tax), business, real property, personal property, transfer, franchise, withholding, payroll, or employer health taxes, customs, import, anti-dumping or countervailing duties, Canada Pension Plan contributions, employment insurance premiums, and provincial workers' compensation payments, levy, assessment, tariff, impost, imposition, toll and duty, whether computed on a separate, combined, unitary, or consolidated basis or any other manner, including any interest, penalties and fines associated therewith;

(tt) "**Third Party**" means any person who is not a Party, Affiliate or Representative;

(uu) "**Third Party Claim**" means any Claim by a Third Party asserted against the Vendor for which the Purchaser has indemnified the Vendor or is otherwise responsible for pursuant to this Agreement;

(vv) "**Time of Closing**" means 12:00 p.m. (Calgary, Alberta time) on the Closing Date or such other date and time as the Parties may agree in writing that the Closing shall take place;

(ww) "**Transaction**" means the transaction for the purchase and sale of the Purchased Assets and all of the auxiliary or related transactions contemplated in this Agreement;



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(xx) "**Vendor's Interest**" means, when used in relation to any asset, undertaking or property, all the right, title and interest, if any, of the Vendor in such asset, undertaking or property; and

(yy) "**Vendor's Solicitor**" means **Dentons Canada LLP**, attention: **Afshan Naveed**.

1.2 **Interpretation**

The following rules of construction shall apply to this Agreement unless the context otherwise requires:

(a) All references to monetary amounts, unless indicated to the contrary, are to the lawful currency of Canada;

(b) Words importing the singular include the plural and vice versa, and words importing gender include the masculine, feminine and neuter genders;

(c) The word "include" and derivatives thereof shall be read as if followed by the phrase "without limitation";

(d) The words "hereto", "herein", "hereof", "hereby", "hereunder" and similar expressions refer to this Agreement and not to any particular provision of this Agreement;

(e) The headings contained in this Agreement are for convenience of reference only, and shall not affect the meaning or interpretation hereof;

(f) Reference to any Article, Section or Schedule means an Article, Section or Schedule of this Agreement unless otherwise specified;

(g) If any provision of a Schedule hereto conflicts with or is at variance with any provision in the body of this Agreement, the provisions in the body of this Agreement shall prevail to the extent of the conflict;

(h) All documents executed and delivered pursuant to the provisions of this Agreement are subordinate to the provisions hereof and the provisions hereof shall govern and prevail in the event of a conflict; and

(i) This Agreement has been negotiated by each Party with the benefit of legal representation, and any rule of construction to the effect that any ambiguities are to be resolved against the drafting Party does not apply to the construction or interpretation of this Agreement.

1.3 **Interpretation if Closing Does Not Occur**

If Closing does not occur, each provision of this Agreement which presumes that the Purchaser has acquired the Purchased Assets shall be construed as having been contingent upon Closing having occurred.

## ARTICLE 2
## PURCHASE AND SALE OF PURCHASED ASSETS



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2.1 **Agreement of Purchase and Sale**

Subject to the terms and conditions of this Agreement, the Vendor hereby agrees to sell, assign and transfer to the Purchaser, and the Purchaser agrees to purchase from the Vendor all of the Vendor's Interest in the Purchased Assets free and clear of all Encumbrances other than Permitted Encumbrances.

2.2 **Transfer of Purchased Assets**

Provided that Closing occurs and subject to the terms and conditions of this Agreement, possession, risk and beneficial ownership of the Purchased Assets shall transfer from the Vendor to the Purchaser on the Closing Date.

2.3 **Assumption of Environmental Liabilities**

In determining the Purchase Price, the Parties have taken into account Purchaser's assumption of responsibility for the payment of all costs for existing or future Environmental Liabilities associated with the Purchased Assets, as set forth in this Agreement, and the absolute release of the Debtor and Vendor of all and any responsibility or liability therefor.

**ARTICLE 3**
**PURCHASE PRICE**

3.1 **Purchase Price**

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The purchase price to be paid by the Purchaser to the Vendor for the Purchased Assets shall be CAD $[redacted] (the "**Purchase Price**") as adjusted pursuant to Section 3.5.

3.2 **Deposit**

(a) Concurrently with the Purchaser's delivery of its executed copy of this Agreement to the Vendor, the Purchaser shall pay to the Vendor a deposit in the amount of [redacted] (the "**Deposit**");

(b) The Deposit will be held in trust by the Receiver or its legal counsel in a trust account for and on behalf of the Vendor, and shall be releasable in accordance with the terms of this Agreement. If Closing occurs in accordance with the terms and conditions of this Agreement, the Deposit shall be credited against the Purchase Price, in partial satisfaction of the Purchaser's obligation to pay the Purchase Price at Closing; and

(c) If Closing does not occur prior to the waiver and/or satisfaction of all conditions required to be waived and/or satisfied pursuant to Sections 6.1 and 6.2 of this Agreement for any reason, the Deposit shall be returned to the Purchaser within ten (10) Business Days of Vendor's receipt of written notice of non-waiver. If Closing does not occur following the waiver and/or satisfaction of all conditions required to be waived and/or satisfied pursuant to Sections 6.1 and 6.2 of this Agreement for any reason, the Vendor shall be entitled to retain the Deposit, the full amount of the Deposit shall be forfeited to the Vendor, and in any such case this Agreement shall thereupon terminate and each Party shall be released from all obligations and liabilities under or in connection with this Agreement. The Parties agree that the amount of the Deposit constitutes a genuine pre-estimate of liquidated damages representing the Vendor's Losses as a result of Closing not occurring



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and agree that the Vendor shall not be entitled to recover from the Purchaser any amounts that are in excess of the Deposit as a result of Closing not occurring. The Purchaser hereby waives any claim or defence that the amount of the Deposit is a penalty or is otherwise not a genuine pre-estimate of the Vendor's damages.

3.3 **Payment of the Purchase Price**

The Purchaser shall pay to the Vendor at Closing, by certified cheque, bank draft or electronic wire transfer, the adjusted Purchase Price as set forth in the Interim Statement of Adjustments (including applicable GST), less the Deposit.

3.4 **Allocation of the Purchase Price**

The Purchase Price shall be allocated among the Purchased Assets as mutually agreed by the Parties on the Closing Date.

3.5 **Adjustments**

(a) Subject to Section 3.5(c), all adjustments relating to the Purchased Assets, both incoming and outgoing, including property taxes, other Taxes, local improvement charges, utilities, costs and revenues incurred, accruing, payable, paid, received or receivable in respect of the Purchased Assets, including rentals, maintenance, development, capital and operating costs, advances, and payments with respect to Permitted Encumbrances and all other matters customarily the subject of adjustment on the sale of assets similar to the Purchased Assets shall, subject to the provisions of this Agreement, be apportioned on an accrual basis between the Vendor and the Purchaser as of the Effective Time, on and subject to the following:

(i) except as otherwise provided in this Section 3.5, costs and revenues shall accrue in accordance with GAAP;

(ii) all such costs and revenues accruing up to the Effective Time shall be for the Vendor's account and all costs and revenues accruing after the Effective Time shall be for the Purchaser's account;

(iii) all rentals, property taxes and other periodic payments (other than income taxes) shall be apportioned between the Vendor and the Purchaser on a per diem basis as of the Effective Time with all rentals, property taxes and other periodic payments accrued to the Effective Time for the Vendor's account and all rentals, property taxes and other periodic payments accrued after the Effective Time for the Purchaser's account;

(iv) there shall not be any adjustment on account of income taxes; and

(v) the Purchaser shall be solely responsible for all costs in preparing and registering and/or distributing any specific conveyances required in connection with the Transaction;

(b) The Vendor shall carry out an interim accounting and adjustment and prepare and deliver to the Purchaser at least three (3) Business Days prior to the Closing Date a statement



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setting forth the Vendor's good faith estimate of all adjustments to be made pursuant to this Section 3.5 (the "**Interim Statement of Adjustments**");

(c) The Vendor shall carry out a final accounting and adjustment and prepare and deliver to the Purchaser a statement setting forth all adjustments to be made pursuant to this Section 3.5 no later than thirty (30) days following the Closing Date (the "**Final Statement of Adjustments**"); and

(d) All adjustments shall be settled by the prompt payment by any Party obliged to make payment pursuant to this Agreement. Interest at the Prime Rate plus 2% per annum shall be paid on any adjustment which remains unpaid by one Party to another Party 30 days after receipt of the notice that adjustment is to be paid from such 30th day to the date of payment.

### 3.6 GST

The Purchase Price contemplated under this Agreement does not include GST. The Purchaser shall be liable for and pay to the Vendor the GST payable in connection with the purchase and sale of the Purchased Assets contemplated in this Agreement. If the Purchaser is a GST registrant under the GST Legislation, GST shall not be paid provided that the Purchaser provides the Vendor with its GST number, indemnifies the Vendor with respect to GST, and files a return as required by the GST Legislation. The Purchaser hereby indemnifies and saves harmless the Vendor from any GST, and related penalty, interest and other amounts which may be payable by or assessed against the Vendor under the GST Legislation as a result of or in connection with the subject transaction or the Vendor's failure to collect and remit the GST applicable on the sale of the Purchased Assets to the Purchaser.

### 3.7 No Right to Reduction in Purchase Price

Notwithstanding anything to the contrary in this Agreement, the Purchaser acknowledges and agrees that it shall have no right or other entitlement to any set-off, abatement or reduction in the Purchase Price as a result of, arising from or in connection with any claim against the Debtor or the Vendor, including in respect of any deficiency or allegation of deficiency in respect of the Purchased Assets, including, without limitation, any Environmental Liability or deficiency or title deficiency.

## ARTICLE 4
## REPRESENTATIONS AND WARRANTIES

### 4.1 Purchaser's Representations and Warranties

The Purchaser hereby represents and warrants to and in favour of the Vendor that:

(a) the Purchaser is a corporation duly incorporated and validly subsisting under the laws of the Province of Alberta and the jurisdiction of its incorporation and has the requisite power and authority to enter into this Agreement and to complete the Transaction;

(b) the Purchaser has taken all necessary corporate action to authorize the entering into and performance by it of this Agreement;

(c) provided that Court Approval is obtained, execution, delivery and performance of this Agreement by the Purchaser does not and will not require any consent, approval,



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authorization or other order of, action by, filing with or notification to, any Governmental Authority, except where failure to obtain such consent, approval, authorization or action, or to make such filing or notification, would not prevent or materially delay the consummation by the Purchaser of the Transaction;

(d) provided Court Approval is obtained, the consummation of the Transaction will not constitute or result in a material violation, breach or default by it under any provision of any agreement or instrument to which it is a party or by which is it bound or any judgment, law, decree, order or ruling applicable to it;

(e) it is acquiring the Purchased Assets in its capacity as a principal and is not purchasing the Purchased Assets as agent or representative of any third party;

(f) this Agreement has been duly executed and delivered by the Purchaser and constitutes a legal, valid and binding obligation of the Purchaser and is enforceable against the Purchaser in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization or similar Applicable Laws relating to creditors' rights generally and subject to general principles of equity;

(g) there is no requirement for the Purchaser to make any filing with, give any notice to, or obtain any authorization of, any Governmental Authority pursuant to the *Competition Act* (Canada), as a result of, in connection with, or as a condition to the lawful completion of the Transaction; and

(h) the Purchaser is not a non-Canadian person within the meaning of the *Investment Canada Act* nor a non-resident for the purposes of the *Income Tax Act*.

4.2 **No Representations and Warranties by the Vendor**

(a) Neither the Vendor nor any of its Representatives makes any representations or warranties, and in particular, and without limiting the generality of the foregoing, the Vendor disclaims and neither the Vendor nor any of its Representatives shall be liable for any representation or warranty which may have been made or alleged to be made in any instrument or document related hereto, or in any statement or information made or communicated to the Purchaser in any manner including any opinion, information, or advice which may have been provided to the Purchaser by the Vendor or any of its Representatives in connection with the Purchased Assets or in relation to the Transaction. For greater certainty, but without limiting the generality of the foregoing, neither the Vendor nor any of its Representatives makes any condition, representation or warranty, express or implied, with respect to:

(i) the Data Room Information or any other data or information supplied by the Vendor or any of its Representatives in connection with the Purchased Assets, including by way of management presentations or otherwise;

(ii) the value of any of the Purchased Assets or the future cash flow therefrom;

(iii) the quality, condition, description, fitness for purpose, suitability, serviceability or merchantability of the Purchased Assets for any purpose whatsoever;



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(iv) the quality, status and enforceability of any Leases affecting the Purchased Assets or the default status of any respective tenants; or

(v) any defects, errors or omissions on or in the Purchased Assets, or any other conditions (whether patent, latent or otherwise), including, without limitation, soil quality, environmental contamination (including Environmental Liabilities) and geological stability, affecting the Purchased Assets;

(b) The descriptions of the Purchased Assets are for purposes of identification only and no condition, warranty, or representation has been or will be given by the Vendor concerning the accuracy, completeness or any other matter concerning those descriptions;

(c) The Purchaser acknowledges and confirms that it is relying on its own investigations concerning the Purchased Assets and it has not relied on advice from the Vendor or any of its Representatives with respect thereto, including with respect to the matters specifically enumerated in Sections 4.2(a) and 4.2(b) of the immediately preceding paragraphs in connection with the purchase of the Purchased Assets pursuant to this Agreement. The Purchaser further acknowledges and agrees that it is acquiring the Purchased Assets on an "**as is, where is**" basis and there are no representations, warranties, or conditions made in respect of the Purchased Assets except as expressly set out herein. The Purchaser acknowledges and agrees that it is: (i) familiar with the condition of the Purchased Assets, (ii) relying on its own inspections and reviews in all respects, and (iii) not relying upon any representations or warranties of the Vendor as to the condition of the Purchased Assets; and

(d) Except for its express rights under this Agreement, the Purchaser hereby waives all rights and remedies (whether now existing or hereinafter arising and including all common law, tort, contractual and statutory rights and remedies) against the Vendor and its Representatives in respect of the Purchased Assets or the Transaction or any representations or statements made or information or data furnished to the Purchaser or its Representatives in connection herewith (whether made or furnished orally or by electronic, faxed, written or other means).

## ARTICLE 5
## COVENANTS

### 5.1 Leases, Licences, Certificates and Third Party Consents

(a) Both before and after Closing, the Purchaser shall use all commercially reasonable efforts to obtain any and all approvals, licences and permits required under Applicable Law and any and all material consents of Third Parties required to permit the Transaction to be completed or that may be required for the Purchaser to own and operate the Purchased Assets. The Purchaser acknowledges that the Vendor has no obligation to transfer any Leasesor permits or licences to the Purchaser, and that the Purchaser is solely responsible for obtaining consent to transfer the Leases. Without limiting the generality of the foregoing, it is the sole obligation of the Purchaser, at the Purchaser's sole cost and expense, to:



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(i) obtain and pay the cost of any consents, permits, licences, certificates, including but not limited to, estoppel certificates from the condominium corporation, assignments, registration fees, attorney and agent fees, filing fees, issue fees or other authorizations and assignments necessary or desirable for the transfer of such right, title and interest, to the Purchaser or for the operation or use of the Purchased Assets;

(ii) obtain all Third Party consents that are required to complete the Transaction and own and operate the Purchased Assets;

(iii) obtain the consent to transfer the Leases, if at all; and

(iv) provide any and all financial assurances that may be required by Governmental Authorities or any Third Parties to permit the transfer to the Purchaser of any of the Purchased Assets.

However, to the extent the Vendor is able to transfer any leases, permits or licences to the Purchaser, the Vendor will use reasonable efforts to transfer such leases, permits and licences to the Purchaser, provided that the Purchaser pays all costs associated with such transfer.

(b) The Purchaser acknowledges that the transfers of Leases shall not be a condition precedent to Closing and that the Purchaser may not obtain transfers of Leases at all.

5.2 **Court Approval**

The Vendor shall prepare all materials, and shall promptly apply to the Court for, and use its commercially reasonable efforts to obtain, the Court Approval as soon as reasonably practicable following the dates set forth herein. The Purchaser, at its own expense, shall promptly provide to the Vendor all such information and assistance within the Purchaser's power as the Vendor may reasonably request to obtain the Court Approval, including such information as may be required to reasonably evaluate the Purchaser's financial ability to perform its obligations hereunder. The application for Court Approval may be adjourned or rescheduled by the Vendor or its Representatives upon notice to the Purchaser.

5.3 **Environmental Matters**

The Purchaser acknowledges that, insofar as the Environmental condition of the Purchased Assets is concerned, the Purchaser is acquiring the Purchased Assets pursuant hereto on an "**as is, where is**" basis. The Purchaser acknowledges that it is familiar and satisfied with the condition of the Purchased Assets, including the past and present use of the Purchased Assets, that the Vendor has provided the Purchaser with a reasonable opportunity to inspect the Purchased Assets at the sole cost, risk and expense of the Purchaser (insofar as the Vendor could reasonably provide such access) and that the Purchaser is not relying upon any representation or warranty of the Vendor as to the Environmental condition of the Purchased Assets, or as to any Environmental Liabilities. Provided that Closing has occurred, the Purchaser shall:

(a) be solely liable and responsible for any and all Losses which the Vendor and its Representatives may suffer, sustain, pay or incur; and



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(b) indemnify, release and save harmless the Vendor and its Representatives from any and all Losses, actions, proceedings and demands, whatsoever which may be brought against or suffered by the Vendor or which the Vendor may sustain, pay or incur,

as a result of any matter or thing arising out of, resulting from, attributable to or connected with any Environmental Liabilities. Once Closing has occurred, the Purchaser shall be solely responsible for all Environmental Liabilities both to Third Parties and as between the Vendor and the Purchaser (whether such Environmental Liabilities occur or accrue prior to, on or after the Closing Date), and hereby releases the Vendor from any Claims the Purchaser may have against the Vendor with respect to all such liabilities and responsibilities. Without restricting the generality of the foregoing, the Purchaser shall be responsible for all Environmental Liabilities (whether such Environmental Liabilities occur or accrue prior to, on or after the Closing Date) in respect of the Purchased Assets. This assumption of liability and indemnity by the Purchaser shall apply without limit and without regard to cause or causes, including the negligence (whether sole, concurrent, gross, active, passive, primary or secondary) or the wilful or wanton misconduct or recklessness of any or all of the Vendor, its Representatives and their respective successors and assigns or any other Person otherwise. The Purchaser further acknowledges and agrees that it shall not be entitled to any rights or remedies as against the Vendor or its Representatives, or their respective successors and assigns under the common law or statute pertaining to any Environmental Liabilities, including the right to name any or all of the Vendor, its Representatives, and their respective successors and assigns as a 'third party' to any action commenced by any Person against the Purchaser. The Purchaser's assumption of liability and the indemnity obligation set forth in this Section 5.3 shall survive the Closing Date indefinitely.

## ARTICLE 6
## CONDITIONS

### 6.1 Mutual Conditions

The respective obligations of the Parties to complete the Transaction are subject to the following conditions being fulfilled or performed as at or prior to the dates stated below:

(a) Court Approval shall have been granted on or before thirty (30) days after waiver or satisfaction of the conditions set forth in Section 6.2 herein;

(b) no injunction or other order has been issued to enjoin, restrict or prohibit the Transaction as at or prior to the Time of Closing; and

(c) on the Closing Date, the Closing is not otherwise prohibited by Applicable Law.

The foregoing conditions are for the mutual benefit of the Vendor and the Purchaser and may be asserted by the Vendor or the Purchaser regardless of the circumstances and may be waived only with the Agreement of both the Vendor and the Purchaser.

### 6.2 Conditions for the Benefit of the Purchaser

The obligation of the Purchaser to complete the Transaction is subject to the following conditions having been fulfilled, performed, waived or satisfied by the Purchaser in writing, or satisfied in its sole discretion on or before the dates stated below:



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(a) the Vendor has complied with and performed, in all material respects, all of its covenants and obligations contained in this Agreement as at or prior to the Time of Closing.

(b) this Agreement is subject to the Purchaser securing new financing terms suitable to the Purchaser on or before 5:00PM on July 5, 2024.

(c) this Agreement is subject to the Purchaser's satisfaction with the results of its review of a full set of current Condominium Documents to be provided by the Vendor, as well as any other disclosure documents the Vendor has knowledge of and can provide, on or before 5:00PM on July 5, 2024.

JD

KM

(d) this Agreement is subject to the Purchaser's satisfaction with its inspection of the Property on or before 5:00PM on July 5, 2024. The Vendor will provide access to the Property on reasonable terms.

(e) this Agreement is subject to the Purchaser's satisfaction with improvement quotes from contractors the Purchaser brings to the Property on or before 5:00PM on July 5, 2024. The Vendor will provide access to the Property on reasonable terms.

(f) this Agreement is subject to the Purchaser's Solicitor reviewing the terms within and proclaiming all terms are satisfactory on or before 5:00PM on July 5, 2024.

The foregoing condition is for the exclusive benefit of the Purchaser and may be waived by it in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which the Purchaser may have. If any of the said conditions have not been complied with or waived by the Purchaser at or before the Time of Closing, as applicable, the Purchaser may terminate this Agreement by written notice to the Vendor.

6.3 **Conditions for the Benefit of the Vendor**

The obligation of the Vendor to complete the Transaction is subject to the following conditions being fulfilled or performed as at or prior to the Time of Closing:

(a) all representations and warranties of the Purchaser contained in this Agreement shall be true and correct in all material respects as at the Time of Closing with the same force and effect as if made at and as of such time and the Purchaser shall have delivered to the Vendor a certificate to that effect;

(b) the Purchaser has complied with and performed in all material respects all of its covenants and obligations contained in this Agreement; and

(c) no Party comprising the Vendor has lost its ability to convey the Purchased Assets or any of them due to an order of the Court or otherwise pursuant to the Receivership Proceedings, provided such order or other action pursuant to the Receivership Proceedings is not at the voluntary initiative of the Vendor.

The foregoing conditions are for the exclusive benefit of the Vendor and may be waived by it in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which the Vendor may have. If any of the said conditions have not been complied with or waived by the Vendor



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at or before the Time of Closing, the Vendor may terminate this Agreement by written notice to the Purchaser.

### 6.4 Satisfaction of Conditions

Each of the Parties shall proceed diligently and in good faith and use all commercially reasonable efforts to fulfill and assist in the fulfillment of the conditions set forth in Sections 6.1, 6.2 and 6.3. In addition, each of the Parties agrees not take any action that could reasonably be expected to preclude, delay or have an adverse effect on the Transaction or, in the case of the Purchaser, that would render, or may reasonably be expected to render, any representation or warranty made by the Purchaser in this Agreement untrue in any material respect.

## ARTICLE 7
## CLOSING

### 7.1 Closing Date and Place of Closing

Subject to the conditions set out in this Agreement, the Transaction shall close and be completed on the Closing Date. The completion of the Transaction shall take place at the Time of Closing at the offices of the Receiver's solicitors, or at such other time or such other location as the Parties may agree in writing.

### 7.2 Deliveries on Closing by the Vendor

The Vendor shall deliver to the Purchaser's Solicitors in sufficient time to allow for registration at the Land Titles Office the following documents (the "**Closing Documents**") fully executed by the Vendor, where applicable, or such other parties as may be specified (other than the Purchaser), in each case, on such reasonable trust conditions and undertakings that are consistent with the provisions of this Agreement (and, if applicable, allow for the use of title insurance to close this transaction) and as would customarily be imposed in a similar receivership transaction in the City of Calgary, Alberta, subject to Section 7.3:

(a) a certified copy of the Court Approval;

(b) a registrable transfer of land for the Property duly executed by the Vendor;

(c) the Interim Statement of Adjustments (which for clarity, shall be delivered prior to Closing as specified in Section 3.5(b));

(d) all keys, codes, combinations and other access devices to the Purchased Assets in the Vendor's possession and control; and

(e) such other documents as are required by this Agreement.

### 7.3 Deliveries on Closing by the Purchaser

The Purchaser shall deliver to the Vendor's Solicitor by the Time of Closing on the Closing Date the following instruments and documents, fully executed by the Purchaser, where applicable, or such other Parties as may be specified:

(a) the Purchase Price payable in cash by certified cheque, bank draft or electronic wire transfer to the Vendor in accordance with Section 3.3; and



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(b) such other documents as are required by this Agreement.

7.4 **Risk and Insurance**

The risk of loss of the Purchased Assets shall remain with the Vendor until Closing. Any property, liability and other insurance maintained by the Vendor shall not be transferred as of the Time of Closing, but shall remain the responsibility of the Vendor until the Time of Closing. The Purchaser shall be responsible for placing its own property, liability and other insurance coverage with respect to the Purchased Assets in respect of the period from and after the Time of Closing.

## ARTICLE 8
## INDEMNITY

8.1 **Indemnification Given by Purchaser**

If Closing occurs, the Purchaser shall:

(a) be liable to the Vendor for; and

(b) as a separate covenant, indemnify the Vendor and its Representatives from and against,

all Losses suffered, sustained, paid or incurred by any of them to the extent arising or accruing on or after the Effective Time and which relate to the Purchased Assets, including all Losses attributable to the ownership, operation, use, construction or maintenance of the Purchased Assets arising or accruing on or after the Effective Time and in respect of the indemnities specified in Section 5.3. The Purchaser's indemnity obligation set forth in this Section 8.1 shall survive the Closing Date indefinitely.

8.2 **Third Party Claims**

(a) If the Vendor receives notice of the commencement or assertion of any Third Party Claim for which the Purchaser is liable pursuant to this Agreement, the Vendor shall give the Purchaser reasonably prompt notice thereof, but in any event no later than 14 days after receipt of such notice of such Third Party Claim. Such notice to the Purchaser shall describe the Third Party Claim in reasonable detail and shall indicate, if reasonably practicable, the estimated amount (or the method of computation of the amount) of the Loss that has been or may be sustained by the Vendor, and a reference to the provisions of this Agreement upon which such claim is based;

(b) The Purchaser may participate in the defence of any Third Party Claim by giving notice to that effect to the Vendor not later than 14 days after receiving notice of that Third Party Claim (the "**Notice Period**") so long as: (i) the Purchaser first acknowledges to the Vendor, in writing, liability to the Vendor under this Agreement with respect to such Third Party Claim and that the outcome of such Third Party Claim does not alter or diminish the Purchaser's obligation to indemnify the Vendor pursuant to this Agreement, subject to the Purchaser's right to contest in good faith the Third Party Claim; (ii) the Purchaser has the financial resources to defend against the Third Party Claim and fulfill any indemnification obligations and has provided the Vendor with evidence thereof; (iii) the Third Party Claim involves monetary damages; and (iv) the Purchaser participates in the defence of the Third Party Claim actively and diligently. The Purchaser's right to do so shall be subject to the rights of any insurer or other third party who has potential liability in respect of that



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Third Party Claim. The Purchaser shall pay all of its own expenses of participating in or assuming such defence. The Vendor shall cooperate in good faith in the defence of each Third Party Claim and may participate in such defence assisted by counsel of its own choice at its own expense; and

(c) If the Vendor has not received notice within the Notice Period that the Purchaser has elected to participate in the defence of such Third Party Claim, or if the Purchaser has given such notice but thereafter fails or is unable to participate in the defence of such Third Party Claim actively and diligently, the Vendor may, at its option, elect to settle or compromise the Third Party Claim on terms of its choosing, or assume such defence assisted by counsel of its own choosing, and the Purchaser shall be liable for all reasonable costs and expenses paid or incurred in connection therewith (including legal fees on a solicitor and its own client, full indemnity basis) and any Loss suffered or incurred by the Vendor with respect to such Third Party Claim.

8.3 **Failure to Give Timely Notice**

A failure to give timely notice as provided in this Article 8 shall not affect the rights or obligations of any Party except and only to the extent that, as a result of such failure, any Party which was entitled to receive such notice was deprived of its right to recover any payment under any applicable insurance coverage or was otherwise prejudiced as a result of such failure.

8.4 **No Merger**

There shall not be any merger of any liability or indemnity hereunder in any assignment, conveyance, transfer or document delivered pursuant hereto notwithstanding any rule of law, equity or statute to the contrary and all such rules are hereby waived.

## ARTICLE 9
## TERMINATION

9.1 **Grounds for Termination**

This Agreement may be terminated at any time prior to Closing by either the Vendor or the Purchaser (as applicable) if the conditions for the benefit of the Vendor or Purchaser (as applicable), or both, pursuant to the provisions of Article 6 are not satisfied or waived by or on the date specified for satisfaction or waiver.

9.2 **Effect of Termination**

Notwithstanding any termination of this Agreement by the Vendor or the Purchaser as permitted under Section 9.1, the provisions of Sections 10.1, 10.3, 10.4, 10.10 and 10.13 shall remain in full force and effect following any such permitted termination, and the Deposit shall be governed by Section 3.2.

## ARTICLE 10
## MISCELLANEOUS

10.1 **Public Announcements**

The Confidentiality Agreement remains in full force and effect notwithstanding the execution and delivery of this Agreement, and/or the Closing. If the Purchaser intends to issue a press release or other public



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disclosure of this Agreement, the terms hereof or the Transaction, the Purchaser shall provide the Vendor with an advance copy of any such press release or public disclosure not later than five (5) Business Days prior to the actual press release date or public disclosure date in order to provide the Vendor sufficient time to review such press release or other public disclosure and provide any comments. The Purchaser shall not issue such press release or other public disclosure without the prior written consent of the Vendor. Nothing in this provision shall apply to the Vendor's efforts to seek and obtain Court Approval.

10.2 **Obligations to Survive**

The obligations, covenants, representations and warranties (if any) of the Parties set out in this Agreement shall survive Closing, shall remain in full force and effect, shall not merge as a result of Closing and shall be binding on the Parties thereafter.

10.3 **Governing Law**

This Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta, and the federal laws of Canada applicable therein (excluding any conflict of law rule or principle of such laws that might refer such interpretation or enforcement to the laws of another jurisdiction). Each Party irrevocably submits to the exclusive jurisdiction of the Court with respect to any matter arising hereunder or relating hereto (located, where available, in the judicial district of Calgary).

10.4 **Damages**

Under no circumstance shall any of the Parties, their Representatives or their respective directors, officers, employees or agents be liable for any punitive, exemplary, consequential or indirect damages (including for greater certainty, any loss of profits) that may be alleged to result, in connection with, arising out of, or relating to this Agreement or the Transaction.

10.5 **Further Assurances**

Each of the Parties hereto from and after the date hereof shall, from time to time, and at the request and expense of the Party requesting the same, do all such further acts and things and execute and deliver such further instruments, documents, matters, papers and assurances as may be reasonably requested to complete the Transaction and for more effectually carrying out the true intent and meaning of this Agreement.

10.6 **No Assignment by Purchaser**

The Purchaser shall not, without the Vendor's prior written consent, assign any right or interest in this Agreement, which consent may not be unreasonably withheld.

10.7 **Waiver**

No failure on the part of any Party in exercising any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or remedy preclude any other or further exercise thereof or the exercise of any right or remedy in law or in equity or by statute or otherwise conferred. No waiver by any Party of any breach (whether actual or anticipated) of any of the terms, conditions, representations or warranties contained herein shall take effect or be binding upon that Party unless the waiver is expressed in writing under the authority of that Party. Any waiver so given shall



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extend only to the particular breach so waived and shall not limit or affect any rights with respect to any other or future breach.

10.8 **Amendment**

This Agreement shall not be varied in its terms or amended by oral agreement or by representations or otherwise other than by an instrument in writing dated subsequent to the date hereof, executed by a duly authorized representative of each Party.

10.9 **Time of the Essence**

Time is of the essence in this Agreement.

10.10 **Costs and Expenses**

Each Party shall be responsible for all costs and expenses (including the fees and disbursements of legal counsel, bankers, investment bankers, accountants, brokers and other advisors) incurred by it in connection with this Agreement and the Transaction. No Party shall be responsible for the costs and expenses of the other Party.

10.11 **Notices**

Any notice, demand or other communication required or permitted to be given to any Party shall be given in writing and addressed as follows:

(a) in the case of the Vendor or the Receiver:

BDO Canada Limited
110, 5800 -2nd Street SW
Calgary, AB T2H 0H2
Attention: Kevin Meyler / Angelo Consoli
Fax: 403-640-0591
Email:kmeyler@bdo.ca / aconsoli@bdo.ca

and with a copy to the Receiver's solicitors:

Dentons Canada LLP
15 Floor Bankers Court
850 – 2nd Street SW
Calgary, AB, Canada T2P 0R8
Attention:Afshan Naveed
Fax: 403-268-3100
Email:afshan.naveed@dentons.com

(b) In the case of the Purchaser:

**TDT REAL ESTATE MANAGEMENT & HOLDING CORP.**
**Suite 400, 10216 124 Street,**
**Edmonton, Alberta T5N 4A3**
**Attention: Jon Dowhaluk**



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**Phone: 1-250-299-6970**
**Email: jdowhaluk@taylorjanis.com**

**And with a copy to the Purchaser's solicitors:**

**Forum Law LLP**
**Attention: Muhammed-Ali Yassin**
**Phone: 780 443 0350 (office) 780.990.5383 (cell)**
**Fax: 780 455 0372**
**Email: yassin@forumlaw.ca**

Any such notice, if personally delivered, shall be deemed to have been validly and effectively given and received on the Business Day of such delivery and if sent by facsimile or other electronic communication with confirmation of transmission, shall be deemed to have been validly and effectively given and received on the Business Day next following the day it was received.

10.12 **Enurement**

This Agreement shall be binding upon, and enure to the benefit of, the Parties and their respective successors and permitted assigns.

10.13 **Third Party Beneficiaries**

Each Party intends that this Agreement shall not benefit or create any right or cause of action in or on behalf of any person other than the Parties and their successors and permitted assigns, and no person, other than the Parties and their successors and permitted assigns shall be entitled to rely on the provisions hereof in any action, suit, proceeding, hearing or other forum.

10.14 **Severability**

If any provision of this Agreement or any document delivered in connection with this Agreement is partially or completely invalid or unenforceable, the invalidity or unenforceability of that provision shall not affect the validity or enforceability of any other provision of this Agreement, all of which shall be construed and enforced as if that invalid or unenforceable provision were omitted. The invalidity or unenforceability of any provision in one jurisdiction shall not affect such provision validity or enforceability in any other jurisdiction.

10.15 **Entire Agreement**

This Agreement (and the Confidentiality Agreement) constitute the entire agreement between the Parties with respect to the subject matter hereof and cancel and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, between the Parties with respect to the subject matter hereof. There are no conditions, covenants, agreements, representations, warranties or other provisions, whether oral or written, express or implied, collateral, statutory or otherwise, relating to the subject matter hereof other than those contained in this Agreement.

10.16 **Counterparts**

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which shall constitute one and the same agreement. Transmission by facsimile or other



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electronic means of an executed counterpart of this Agreement shall be deemed to constitute due and sufficient delivery of such counterpart.

***[Remainder of page intentionally left blank; Signature page follows]***



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**IN WITNESS WHEREOF** this Agreement has been properly executed by the Parties as of the date first above written.

**BDO CANADA LIMITED** in its capacity as Receiver, without security, of all of the current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof, of the Debtor, and not in its personal or corporate capacity

Per: _____

Name: Kevin Meyler

Title: Senior Vice President

**TDT REAL ESTATE MANAGEMENT & HOLDING CORP.**

Per: _____

Name: Jon Dowhaluk

Title: Director

24/05/2024



Document ID: b519c2ed-4b82-44c0-8a80-82755fd045b0

## SCHEDULE "A"

## PERMITTED ENCUMBRANCES

1. The reservations, limitations, exceptions, provisos and conditions, if any, expressed in any original grants from the Crown, including, without limitation, the reservation of any mines and minerals in the Crown or in any other person and any implied conditions set out in s.61 of the Land Titles Act (Alberta) as amended, replaced or restated from time to time;

2. Encumbrances given as security to a public utility or any Governmental Authority when required in the ordinary course of business but only insofar as they relate to any obligations or amounts not due as at the Closing Date;

3. All rights reserved to or vested in any Governmental Authority pursuant to Applicable Law to control or regulate the Property in any manner, including any unregistered, undetermined or inchoate liens, levies or claims in favour of the Crown, any province or municipality or any Governmental Authority;

4. Rights of expropriation, access or use or any similar right conferred or reserved by or in any statute of Alberta or Canada;

5. Applicable municipal by-laws, development agreements, subdivision agreements, site plan agreements, servicing agreements, cost sharing reciprocal agreements and building and zoning restrictions and other similar agreements;

6. Any easements, servitudes, rights-of-way, licences, agreements, restrictions that run with the land and other Encumbrances (including easements, rights-of-way and agreements for railways, sewers, drains, gas and water mains or electric light and power or telephone, telecommunications or cable conduits, poles, wires and cables);

7. Any privilege in favour of any lessor, licensor or permitter for rent to become due or for other obligations or acts, the performance of which is required under contracts of the Vendor so long as the payment or the performance of such other obligation or act is not delinquent and provided that such Encumbrances or privileges do not materially affect the use or the operation of the assets affected thereby;

8. Any Encumbrances permitted by an order of the Court and acceptable to the Purchaser;

9. The interests of any lessors in respect of the Leases; and

10. The following specific instruments registered against the title(s) to the Property:

| Instrument Number | Particulars | |
|---|---|---|
| 081 115 590 | 31/03/2008 | RESTRICTIVE COVENANT |

24/05/2024



Document ID: b519c2ed-4b82-44c0-8a80-82755fd045b0

Signwell

# Completed Document Audit Report

Completed with SignWell.com

## Title: Asset_Purchase_Agreement_-_Purchasher_Signed - 7th Floor

Document ID: b519c2ed-4b82-44c0-8a80-82755fd045b0

Time Zone: (GMT+00:00) Coordinated Universal Time

### Files

| | |
|---|---|
| Asset_Purchase_Agreement_-_Purchasher_Signed - 7th.pdf | May 24, 2024 00:25:35 UTC |

### Activity

| | | |
|---|---|---|
| Josh Tesolin<br>IP: 38.13.68.74 | created the document | May 24, 2024<br>00:25:55 UTC |
| Josh Tesolin | sent the document to jdowhaluk@taylorjanis.com | May 24, 2024<br>00:28:38 UTC |
| Jonathan Dowhaluk<br>IP: 2001:56a:79e3:1c00:bca4:7b83:e902:a4be | first viewed document | May 24, 2024<br>20:27:13 UTC |
| Jonathan Dowhaluk<br>IP: 2001:56a:79e3:1c00:bca4:7b83:e902:a4be | signed the document | May 24, 2024<br>20:28:30 UTC |

**AMENDMENT TO ASSET PURCHASE AGREEMENT #80026** dated **May 21, 2024**

**July 4, 2024**



Document ID: 0191c222-4afd-4d94-9d2e-c5658d5e96b3

**DELETE**

**6.2 Conditions for the Benefit of the Purchaser**

The obligation of the Purchaser to complete the Transaction is subject to the following conditions having been fulfilled, performed, waived or satisfied by the Purchaser in writing, or satisfied in its sole discretion on or before the dates stated below:

(a) the Vendor has complied with and performed, in all material respects, all of its covenants and obligations contained in this Agreement as at or prior to the Time of Closing.

(b) this Agreement is subject to the Purchaser securing new financing terms suitable to the Purchaser on or before 5:00PM on July 5, 2024.

(c) this Agreement is subject to the Purchaser's satisfaction with the results of its review of a full set of current Condominium Documents to be provided by the Vendor, as well as any other disclosure documents the Vendor has knowledge of and can provide, on or before 5:00PM on July 5, 2024.

(d) this Agreement is subject to the Purchaser's satisfaction with its inspection of the Property on or before 5:00PM on July 5, 2024. The Vendor will provide access to the Property on reasonable terms.

(e) this Agreement is subject to the Purchaser's satisfaction with improvement quotes from contractors the Purchaser brings to the Property on or before 5:00PM on July 5, 2024. The Vendor will provide access to the Property on reasonable terms.

(f) this Agreement is subject to the Purchaser’s Solicitor reviewing the terms within and proclaiming all terms are satisfactory on or before 5:00PM on July 5, 2024.

The foregoing condition is for the exclusive benefit of the Purchaser and may be waived by it in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which the Purchaser may have. If any of the said conditions have not been complied with or waived by the Purchaser at or before the Time of Closing, as applicable, the Purchaser may terminate this Agreement by written notice to the Vendor.



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**INSERT**

**6.2 Conditions for the Benefit of the Purchaser**

The obligation of the Purchaser to complete the Transaction is subject to the following conditions having been fulfilled, performed, waived or satisfied by the Purchaser in writing, or satisfied in its sole discretion on or before the dates stated below:

a. the Vendor has complied with and performed, in all material respects, all of its covenants and obligations contained in this Agreement as at or prior to the Time of Closing.

b. this Agreement is subject to the Purchaser securing new financing terms suitable to the Purchaser on or before 5:00PM on August 7, 2024.

c. this Agreement is subject to the Purchaser's satisfaction with the results of its review of a full set of current Condominium Documents to be provided by the Vendor, as well as any other disclosure documents the Vendor has knowledge of and can provide, on or before 5:00PM on August 7, 2024.

The foregoing condition is for the exclusive benefit of the Purchaser and may be waived by it in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which the Purchaser may have. If any of the said conditions have not been complied with or waived by the Purchaser at or before the Time of Closing, as applicable, the Purchaser may terminate this Agreement by written notice to the Vendor.



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**IN WITNESS WHEREOF** this Agreement has been properly executed by the Parties as of the date first above written.

**BDO CANADA LIMITED** in its capacity as Receiver, without security, of all of the current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof, of the Debtor, and not in its personal or corporate capacity

Per: _____

Name: Kevin Meyler
Title: Senior Vice President

**TDT REAL ESTATE MANAGEMENT & HOLDING CORP.**

Per: _____ 05/07/2024

Name: Jon Dowhaluk
Title: Director



Document ID: 0191c222-4afd-4d94-9d2e-c5658d5e96b3

Completed Document Audit Report

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# Title: 396 11 Ave SW Office Condo - Amendment1

Document ID: 0191c222-4afd-4d94-9d2e-c5658d5e96b3

Time Zone: (GMT-07:00) Mountain Time - Edmonton

## Files

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| 396 11 Ave SW Office Condo - Amendment1.pdf | Jul 04, 2024 16:59:19 MDT |

## Activity

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| Josh Tesolin<br>IP: 38.13.68.74 | created the document | Jul 04, 2024<br>16:59:29 MDT |
| Josh Tesolin<br>IP: 38.13.68.74 | sent the document to jdowhaluk@taylorjanis.com | Jul 04, 2024<br>16:59:55 MDT |
| Jonathan Dowhaluk<br>IP: 75.159.190.106 | first viewed document | Jul 05, 2024<br>12:03:48 MDT |
| Jonathan Dowhaluk<br>IP: 75.159.190.106 | signed the document | Jul 05, 2024<br>12:04:16 MDT |

**AMENDMENT TO ASSET PURCHASE AGREEMENT #80026** dated **May 21, 2024**

**August 6, 2024**

**DELETE**

**1.1 Definitions**

In this Agreement:

**[…]**

(i) "**Closing Date**" means **August 26, 2024** providing there is first satisfaction or waiver of all of the conditions set forth in Article 6 hereof (or such other Business Day as the Parties may agree in writing);

**6.2 Conditions for the Benefit of the Purchaser**

The obligation of the Purchaser to complete the Transaction is subject to the following conditions having been fulfilled, performed, waived or satisfied by the Purchaser in writing, or satisfied in its sole discretion on or before the dates stated below:

a. the Vendor has complied with and performed, in all material respects, all of its covenants and obligations contained in this Agreement as at or prior to the Time of Closing.

b. this Agreement is subject to the Purchaser securing new financing terms suitable to the Purchaser on or before 5:00PM on August 7, 2024.

c. this Agreement is subject to the Purchaser's satisfaction with the results of its review of a full set of current Condominium Documents to be provided by the Vendor, as well as any other disclosure documents the Vendor has knowledge of and can provide, on or before 5:00PM on August 7, 2024.

The foregoing condition is for the exclusive benefit of the Purchaser and may be waived by it in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which the Purchaser may have. If any of the said conditions have not been complied with or waived by the Purchaser at or before the Time of Closing, as applicable, the Purchaser may terminate this Agreement by written notice to the Vendor.

**INSERT**

**1.1 Definitions**

In this Agreement:

**[…]**

(ii) "**Closing Date**" means **September 30, 2024** providing there is first satisfaction or waiver of all of the conditions set forth in Article 6 hereof (or such other Business Day as the Parties may agree in writing);

**6.2 Conditions for the Benefit of the Purchaser**

The obligation of the Purchaser to complete the Transaction is subject to the following conditions having been fulfilled, performed, waived or satisfied by the Purchaser in writing, or satisfied in its sole discretion on or before the dates stated below:

d. the Vendor has complied with and performed, in all material respects, all of its covenants and obligations contained in this Agreement as at or prior to the Time of Closing.

e. this Agreement is subject to the Purchaser securing new financing terms suitable to the Purchaser on or before 9:00PM on August 23, 2024.

The foregoing condition is for the exclusive benefit of the Purchaser and may be waived by it in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which the Purchaser may have. If any of the said conditions have not been complied with or waived by the Purchaser at or before the Time of Closing, as applicable, the Purchaser may terminate this Agreement by written notice to the Vendor.

**IN WITNESS WHEREOF** this Agreement has been properly executed by the Parties as of the date first above written.

**BDO CANADA LIMITED** in its capacity as Receiver, without security, of all of the current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof, of the Debtor, and not in its personal or corporate capacity

Per: _____

Name: Kevin Meyler

Title: Senior Vice President

**TDT REAL ESTATE MANAGEMENT & HOLDING CORP.**

Per: _____

Name: Jon Dowhaluk

Title: Director

08/06/2024

**AMENDMENT #3 TO ASSET PURCHASE AGREEMENT #80026** dated **May 21, 2024**

**October 22, 2024**



Document ID: 8b543cb7-abaa-486d-a1a2-88fe1641d643

# DELETE THE FOLLOWING CLAUSES

**1.1 Definitions**

In this Agreement:

**[…]**

(i) "**Closing Date**" means **September 30, 2024** providing there is first satisfaction or waiver of all of the conditions set forth in Article 6 hereof (or such other Business Day as the Parties may agree in writing);

**3.1 Purchase Price**

The purchase price to be paid by the Purchaser to the Vendor for the Purchased Assets shall be CAD $[redacted](the "**Purchase Price**") as adjusted pursuant to Section 3.5.

**3.2 Deposit**

(a) Concurrently with the Purchaser's delivery of its executed copy of this Agreement to the Vendor, the Purchaser shall pay to the Vendor a deposit in the amount of [redacted](the "**Deposit**");

**6.1 Mutual Conditions**

The respective obligations of the Parties to complete the Transaction are subject to the following conditions being fulfilled or performed as at or prior to the dates stated below:

(a) Court Approval shall have been granted on or before thirty (30) days after waiver or satisfaction of the conditions set forth in Section 6.2 herein;

**6.2 Conditions for the Benefit of the Purchaser**

The obligation of the Purchaser to complete the Transaction is subject to the following conditions having been fulfilled, performed, waived or satisfied by the Purchaser in writing, or satisfied in its sole discretion on or before the dates stated below:

(d) the Vendor has complied with and performed, in all material respects, all of its covenants and obligations contained in this Agreement as at or prior to the Time of Closing.



Document ID: 8b543cb7-abaa-486d-a1a2-88fe1641d643

(e) this Agreement is subject to the Purchaser securing new financing terms suitable to the Purchaser on or before 9:00PM on August 23, 2024.

The foregoing condition is for the exclusive benefit of the Purchaser and may be waived by it in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which the Purchaser may have. If any of the said conditions have not been complied with or waived by the Purchaser at or before the Time of Closing, as applicable, the Purchaser may terminate this Agreement by written notice to the Vendor.

## INSERT THE FOLLOWING CLAUSES

**1.1 Definitions**

In this Agreement:

**[…]**

(i) "**Closing Date**" means **December 20, 2024** providing there is first satisfaction or waiver of all of the conditions set forth in Article 6 hereof (or such other Business Day as the Parties may agree in writing);

**3.1 Purchase Price**

The purchase price to be paid by the Purchaser to the Vendor for the Purchased Assets shall be CAD **$**[redacted] (the "**Purchase Price**") as adjusted pursuant to Section 3.5.

**3.2 Deposit**

(a) With the Purchaser's delivery (on May 24, 2024) of its executed copy of this Agreement to the Vendor, the Purchaser paid to the Vendor a deposit in the amount of [redacted] (the "**Deposit**"). Upon signing of this Amendment #3, the Purchaser shall deliver an additional [redacted] deposit (Additional Deposit) to the Vendor, making the total deposit held by the Vendor [redacted] On November 8th the Purchaser shall deliver an additional [redacted] deposit (Additional Deposit) to the Vendor, making the total deposit held by the Vendor [redacted]

**6.1 Mutual Conditions**

The respective obligations of the Parties to complete the Transaction are subject to the following conditions being fulfilled or performed as at or prior to the dates stated below:



Document ID: 8b543cb7-abaa-486d-a1a2-88fe1641d643

(a) Court Approval shall have been granted on or before thirty (30) days, or as soon thereafter as the Court schedule allows for a hearing, after waiver or satisfaction of the conditions set forth in Section 6.2 herein;

**7.5 Early Access**

The Vendor will allow the Purchaser access to the property in order to take such steps as may be needed to ensure the property is ready for immediate occupancy upon possession. No improvements requiring construction will be commenced before the Closing Date. This Early Access period is only for the purpose of minor repairs, cleaning, and providing access to trades/vendors if required to prepare the property.

**IN WITNESS WHEREOF** this Agreement has been properly executed by the Parties as of the date first above written.

**BDO CANADA LIMITED** in its capacity as Receiver, without security, of all of the current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof, of the Debtor, and not in its personal or corporate capacity

Per: _____

Name: Kevin Meyler

Title: Senior Vice President

October 23, 2024

**TDT REAL ESTATE MANAGEMENT & HOLDING CORP.**

Per: _____

Name: Jon Dowhaluk

Title: Director

23/10/2024



Document ID: 8b543cb7-abaa-486d-a1a2-88fe1641d643

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# Completed Document Audit Report

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## Title: Amendment 3

Document ID: 8b543cb7-abaa-486d-a1a2-88fe1641d643

Time Zone: (GMT-07:00) Mountain Time - Edmonton

### Files

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| Amendment 3.pdf - 4 pages | Oct 23, 2024 00:17:59 MDT |

### Activity

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| **Josh Tesolin**<br>IP: 172.103.138.11 | created the document (joshtesolin@gmail.com) | Oct 23, 2024<br>00:18:17 MDT |
| **Josh Tesolin**<br>IP: 172.103.138.11 | sent the document to jdowhaluk@taylorjanis.com | Oct 23, 2024<br>00:19:02 MDT |
| **Jonathan Dowhaluk**<br>IP: 75.159.190.106 | first viewed document (jdowhaluk@taylorjanis.com) | Oct 23, 2024<br>10:28:34 MDT |
| **Jonathan Dowhaluk**<br>IP: 75.159.190.106 | signed the document (jdowhaluk@taylorjanis.com) | Oct 23, 2024<br>10:29:08 MDT |

AVISON YOUNG

Eighth Avenue Place West
525 - 8th Avenue SW
Suite 4300
Calgary, AB
T2P 1G1
Canada

T: 403.262.3082
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avisonyoung.com

November 27, 2024

**BDO Canada Limited**
**c/o Avison Young Commercial Real Estate Services, LP**
**525 8 Avenue SW**
**Calgary, Alberta T2P 1G1**

Attention: Jacob Robinson

**RE:** **ASSET PURCHASE AGREEMENT DATED MAY 21, 2024 ("AGREEMENT") BETWEEN BDO CANADA LIMITED ("VENDOR") AND TDT REAL ESTATE MANAGEMENT & HOLDING CORP. ("PURCHASER") – FOR UNITS 27, 28, 29, 30, 31 AT 396 11 AVENUE SW CALGARY, AB. ("PROPERTY")**

Pursuant to the above-referenced Asset Purchase Agreement, the Vendor and Purchaser hereby agree to the following amendment:

**1.1 Definitions – Subsection (ii)**

**Delete:**

**Parcel 6-11:** 6 Parking underground Stalls Under CONDOMINIUM PLAN 0811241 to be chosen by the Vendor.

**Insert:**

**Parcel 6-11**: Condominium Plan 0811241 Units 73, 115, 116, 117, 118, 119 (being 6 U/G parking stalls)

*Signature page to follow*

Document ID: 40b3761b-4e38-4e75-955d-fa230383ea26

AVISON YOUNG

Eighth Avenue Place West
525 - 8th Avenue SW
Suite 4300
Calgary, AB
T2P 1G1
Canada

T: 403.262.3082
F: 403.262.3325

avisonyoung.com

Yours very truly,

28/11/2024

ACCEPTED AND AGREED this ____day of November 2024.

PER: _____

**TDT REAL ESTATE MANAGEMENT & HOLDING CORP.**

ACCEPTED AND AGREED this ____day of November 2024.

PER: _____

**BDO CANADA LIMITED**

Document ID: 40b3761b-4e38-4e75-955d-fa230383ea26

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# Title: Amendment_TDT_BDO_396 11 Avenue SW_2024.11.27

Document ID: 40b3761b-4e38-4e75-955d-fa230383ea26

Time Zone: (GMT-07:00) Mountain Time - Edmonton

## Files

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| Amendment_TDT_BDO_396 11 Avenue SW_2024.11.27.pdf - 2 pages | Nov 27, 2024 15:45:29 MST |

## Activity

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| **Josh Tesolin**<br>IP: 172.103.138.11 | created the document (joshtesolin@gmail.com) | Nov 27, 2024<br>15:45:53 MST |
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| **Jonathan Dowhaluk**<br>IP: 75.159.190.106 | first viewed document (jdowhaluk@taylorjanis.com) | Nov 28, 2024<br>15:41:51 MST |
| **Jonathan Dowhaluk**<br>IP: 75.159.190.106 | signed the document (jdowhaluk@taylorjanis.com) | Nov 28, 2024<br>15:43:12 MST |

# APPENDIX “B”

# ASSET PURCHASE AGREEMENT

**October 28, 2024**

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**ASSET PURCHASE AGREEMENT** dated September 3, 2024

**BETWEEN:**

**BDO CANADA LIMITED** in its capacity as Receiver, without security, of all of the current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof, of Safeguard Real Estate Investment Fund IV Limited Partnership and CEP LP Investment Corp. and not in its personal or corporate capacity (the "**Vendor**")

- and -

**CAKO Holdings Ltd.,** a body corporate, having an office in the City of **[Calgary]** in the Province of **[Alberta]** (the "**Purchaser**")

**WHEREAS:**

A. Pursuant to the provisions of, among other things, the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**"), the Alberta Court of Queen's Bench (the "**Court**") granted a receivership order appointing BDO CANADA LIMITED as receiver and receiver and manager, without security, of all of the current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof, of Safeguard Real Estate Investment Fund IV Limited Partnership ("**Safeguard**") and CEP LP Investment Corp. ("**CEP**", together with Safeguard, collectively the "**Debtor**") on December 4, 2020 (the "**Receivership Order**");

B. In connection with the Receivership Proceedings (as defined herein) and the Receivership Order, the Vendor, subject to approval by the Court, has agreed to sell, transfer and assign to the Purchaser, all of the right, title and interest of the Vendor to the Purchased Assets, and the Purchaser has agreed to purchase the Purchased Assets from the Vendor, on the terms and conditions set forth herein;

**NOW THEREFORE** this Agreement witnesses that in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged by each Party to the other, the Parties agree as follows:

## ARTICLE 1
## INTERPRETATION

### 1.1 Definitions

In this Agreement:

(a) "**Acceptance Date**" means the date both parties execute and deliver this Agreement;

(b) "**Affiliate**" means, with respect to any person, any other person or group of persons acting in concert, directly or indirectly, that controls, is controlled by or is under common control with such person. The term "control" as used in the preceding sentence means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a person whether through ownership of more than 50% of the

voting securities of such person, through being the general partner or trustee of the other person, or through contract or otherwise;

(c) "**Agreement**" means this asset purchase agreement and any Schedule attached hereto;

(d) "**Applicable Law**" means, in respect of any person, assets, transaction, event or circumstance:

(i) statutes (including regulations enacted thereunder);

(ii) judgments, decrees and orders of courts of competent jurisdiction;

(iii) regulations, orders, ordinances and directives issued by Government Authorities; and

(iv) the terms and conditions of all permits, licences, approvals and authorizations;

which are applicable to such person, asset, transaction, event or circumstance;

(e) "**BIA**" has the meaning ascribed to that term in the recitals;

(f) "**Business Day**" means a day other than a Saturday, Sunday or any other day on which the principal chartered banks located in Calgary, Alberta are not open for the transaction of domestic business during normal banking hours;

(g) "**Claim**" means any right or claim of any person that may be asserted or made in whole or in part against the Debtor or any of its Affiliates and their respective directors, officers, employees, agents or advisors, whether or not asserted or made, in connection with any indebtedness, liability or obligation of any kind whatsoever, and any interest accrued thereon or costs payable in respect thereof, including without limitation, by reason of the commission of a tort (intentional or unintentional), by reason of any breach of contract or other agreement (oral or written), by reason of any breach of duty (including, without limitation, any legal, statutory, equitable or fiduciary duty) or by reason of any right of ownership of or title to property or assets or right to a trust or deemed trust (statutory, express, implied, resulting, constructive or otherwise), and whether or not any indebtedness, liability or obligation is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, present or future, known or unknown, by guarantee, surety or otherwise, and whether or not any right or claim is executory or anticipatory in nature including, without limitation, any right or ability of any person to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause or chose in action whether existing at present or commenced in the future, together with any other rights or claims of any kind that, if unsecured, would be a debt provable in bankruptcy within the meaning of the BIA had the Debtor become bankrupt;

(h) "**Closing**" means the completion of the purchase by the Purchaser and sale by the Vendor of the Purchased Assets and the completion of all other transactions contemplated by this Agreement that are to occur contemporaneously with such sale, all subject to and in accordance with the terms and conditions of this Agreement;

(i) "**Closing Date**" December 31, 2024 (or such other Business Day as the Parties may agree in writing);

(j) "**Confidentiality Agreement**" means the confidentiality agreement made between the Parties, dated June 13, 2024;

(k) "**Court**" has the meaning ascribed to that term in the recitals;

(l) "**Court Approval**" means the approval of the Transaction by the Court; pursuant to the terms of an approval and vesting order that is satisfactory, in both form and substance, to the Parties;

(m) "**Data Room Information**" means all information made available (by the Receiver, is Representative, or otherwise) for the Purchaser's review in relation to the Debtor, its Affiliates and the Purchased Assets;

(n) "**Debtor**" has the meaning ascribed to that term in the recitals;

(o) "**Deposit**" has the meaning ascribed to that term in Section 3.2;

(p) "**Effective Time**" means 12:01 a.m. (Calgary time) on the Closing Date;

(q) "**Encumbrances**" means any pledges, liens, security interests, encumbrances, claims, charges, options or interests;

(r) "**Environment**" means the components of the earth and includes ambient air, land, surface and subsurface strata, groundwater, surface water, all layers of the atmosphere, all organic and inorganic matter and living organisms, and the interacting natural systems that include such components, and any derivative thereof shall have a corresponding meaning;

(s) "**Environmental Liabilities**" means all past, present and future liabilities, obligations and expenses in respect of the Environment which relate to the Purchased Assets (or lands pooled or unitized with lands which may form part of the Purchased Assets), or which arise in connection with the ownership thereof or operations pertaining thereto, including liabilities related to or arising from:

(i) transportation, storage, use or disposal of toxic or hazardous substances;

(ii) release, spill, escape, emission, leak, discharge, migration or dispersal of toxic or hazardous substances; or

(iii) pollution or contamination of or damage to the Environment;

including liabilities to compensate Third Parties for damages and Losses resulting from the items described in items (i), (ii) and (iii) above (including damage to property, personal injury and death) and obligations to take action to prevent or rectify damage to or otherwise protect the Environment;

(t) "**Final Statement of Adjustments**" has the meaning ascribed to that term in Section 3.5;

(u) "**GAAP**" means accounting principles generally accepted in Canada including those recommended or approved by the Canadian Institute of Chartered Professional Accountants at the relevant time including to the extent applicable, international financial reporting standards;

(v) "**Governmental Authority**" means any domestic or foreign government, whether federal, provincial, state, territorial or municipal; and any governmental agency, ministry, department, tribunal, commission, bureau, board or other instrumentality exercising or purporting to exercise legislative, judicial, regulatory or administrative functions of, or pertaining to, government, having jurisdiction over a Party, the Purchased Assets or the Transaction;

(w) "**Governmental Order**" means any order, writ, judgment, injunction, decree, stipulation, determination or award entered by or with any Governmental Authority;

(x) "**GST**" means taxes, interest, penalties and fines imposed under Part IX of the *Excise Tax Act* (Canada) and the regulations made thereunder; and "**GST Legislation**" means such act and regulations collectively;

(y) "**Income Tax Act**" means, collectively, the *Income Tax Act*, R.S.C. 1985, c.1 (5th Supplement), the *Income Tax Application Rules*, R.S.C. 1985, c.2 (5th Supplement) and the *Income Tax Regulations*, in each case as amended to the date hereof;

(z) "**Interim Statement of Adjustments**" has the meaning ascribed to that term in Section 3.5;

(aa) "**Leases**" means the Vendor's Interest, if any, in the leasing and financing agreements set forth in Schedule [●] to this Agreement;

(bb) "**Legal Proceeding**" means any litigation, action, suit, investigation, hearing, claim, complaint, grievance, arbitration proceeding or other proceeding and includes any appeal or review or retrial of any of the foregoing and any application for same;

(cc) "**Losses**" means any and all assessments, charges, costs, damages, debts, expenses, fines, liabilities, losses, obligations and penalties, whether accrued or fixed, absolute or contingent, matured or unmatured or determined or determinable, including those arising under any Applicable Law, Claim by any Governmental Authority or Governmental Order and those arising under any contract, agreement, arrangement, commitment or undertaking and costs and expenses of any Legal Proceeding, assessment, judgment, settlement or compromise relating thereto, and all interest, fines and penalties and reasonable legal fees and expenses incurred in connection therewith (on a full indemnity basis);

(dd) "**Notice Period**" has the meaning ascribed to that term in Section 8.2(b);

(ee) "**Parties**" means, collectively, the Purchaser and the Vendor, and "**Party**" means any one of them;

(ff) "**Permitted Encumbrances**" means those Encumbrances set out in Schedule "A" to this Agreement;

(gg) "**Person**" means any individual, corporation, limited or unlimited liability company, joint venture, partnership (limited or general), trust, trustee, executor, Governmental Authority or other entity;

(hh) "**Prime Rate**" means the rate of interest, expressed as a rate per annum, designated by the main branch in Calgary, Alberta of **[NTD: Enter Bank's Name]** as the reference rate used by it to determine rates of interest charged by it on Canadian dollar commercial loans made in Canada and which is announced by such bank, from time to time, as its prime rate, provided that whenever such bank announces a change in such reference rate then the "Prime Rate" for the purposes of this Agreement shall correspondingly change effective on the date the change in such reference rate is effective;

(ii) "**Property**" means the condominium unit(s) legally described as:

Parcel 1:
**Condominium Plan 0811241 Units 17, 18, 19, 20, 21 (being the 5th Floor)**

Parcel 2:
**Condominium Plan 0811241 Units ~~34, 35, 39, 40, 41~~ (being 5 U/G parking stalls)** TO BE MUTUALLY AGREED UPON BETWEEN THE PURCHASER AND VENDOR.

KM T.C

(including all fixtures and improvements located therein);

(jj) "**Purchased Assets**" means all of the Vendor's Interest in and to the Property and all of the Vendor's Interest in and to the equipment and personal property used in connection with the Property including, without limitation, those assets set out in Schedule [●] hereto;

(kk) "**Purchase Price**" has the meaning ascribed to that term in Section 3.1;

(ll) "**Purchaser's Conditions**" means the conditions set forth in Section 6.2;

(mm) "**Purchaser's Solicitor**" means Robertson LLP, attention: Ryna Robertson;

(nn) "**Receiver**" means BDO Canada Limited, in its capacity as the Court-appointed receiver and receiver and manager of all of the Debtor's current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof;

(oo) "**Receivership Proceedings**" means the proceedings where the Receiver was appointed, namely Alberta Court of Queen's Bench Action No. 1801-06804;

(pp) "**Receivership Order**" has the meaning ascribed to that term in the recitals;

(qq) "**Representative**" means, in respect of a person, each director, officer, employee, agent, legal counsel, accountant, professional advisor and other representative of such person and its Affiliates, and with respect to the Vendor, includes the Receiver and their respective Affiliates, directors, officers, employees, agents, legal counsel, accountants, professional advisors and other representatives;



T.C

(rr) "**Tax Legislation**" means, collectively, the Income Tax Act and all Canadian federal, provincial, state, territorial, county, municipal and local, foreign, or other statutes, ordinances or regulations imposing a Tax, including all treaties, conventions, rules, regulations, orders, and decrees of any jurisdiction;

(ss) "**Tax**" or "**Taxes**" means all taxes, assessments, charges, dues, duties, rates, fees, imposts, levies and similar charges of any kind lawfully levied, assessed or imposed by any Governmental Authority under any applicable Tax Legislation, including, Canadian federal, provincial, state, territorial, county, municipal and local, foreign or other income, capital, capital gains, goods and services, sales, use, consumption, excise, value added (including GST and Harmonized Sales Tax), business, real property, personal property, transfer, franchise, withholding, payroll, or employer health taxes, customs, import, anti-dumping or countervailing duties, Canada Pension Plan contributions, employment insurance premiums, and provincial workers' compensation payments, levy, assessment, tariff, impost, imposition, toll and duty, whether computed on a separate, combined, unitary, or consolidated basis or any other manner, including any interest, penalties and fines associated therewith;

(tt) "**Third Party**" means any person who is not a Party, Affiliate or Representative;

(uu) "**Third Party Claim**" means any Claim by a Third Party asserted against the Vendor for which the Purchaser has indemnified the Vendor or is otherwise responsible for pursuant to this Agreement;

(vv) "**Time of Closing**" means 12:00 p.m. (Calgary, Alberta time) on the Closing Date or such other date and time as the Parties may agree in writing that the Closing shall take place;

(ww) "**Transaction**" means the transaction for the purchase and sale of the Purchased Assets and all of the auxiliary or related transactions contemplated in this Agreement;

(xx) "**Vendor's Interest**" means, when used in relation to any asset, undertaking or property, all the right, title and interest, if any, of the Vendor in such asset, undertaking or property; and

(yy) "**Vendor's Solicitor**" means Dentons Canada LLP, attention: Afshan Naveed.

1.2 **Interpretation**

The following rules of construction shall apply to this Agreement unless the context otherwise requires:

(a) All references to monetary amounts, unless indicated to the contrary, are to the lawful currency of Canada;

(b) Words importing the singular include the plural and vice versa, and words importing gender include the masculine, feminine and neuter genders;

(c) The word "include" and derivatives thereof shall be read as if followed by the phrase "without limitation";

(d) The words "hereto", "herein", "hereof", "hereby", "hereunder" and similar expressions refer to this Agreement and not to any particular provision of this Agreement;

(e) The headings contained in this Agreement are for convenience of reference only, and shall not affect the meaning or interpretation hereof;

(f) Reference to any Article, Section or Schedule means an Article, Section or Schedule of this Agreement unless otherwise specified;

(g) If any provision of a Schedule hereto conflicts with or is at variance with any provision in the body of this Agreement, the provisions in the body of this Agreement shall prevail to the extent of the conflict;

(h) All documents executed and delivered pursuant to the provisions of this Agreement are subordinate to the provisions hereof and the provisions hereof shall govern and prevail in the event of a conflict; and

(i) This Agreement has been negotiated by each Party with the benefit of legal representation, and any rule of construction to the effect that any ambiguities are to be resolved against the drafting Party does not apply to the construction or interpretation of this Agreement.

### 1.3 Interpretation if Closing Does Not Occur

If Closing does not occur, each provision of this Agreement which presumes that the Purchaser has acquired the Purchased Assets shall be construed as having been contingent upon Closing having occurred.

## ARTICLE 2
## PURCHASE AND SALE OF PURCHASED ASSETS

### 2.1 Agreement of Purchase and Sale

Subject to the terms and conditions of this Agreement, the Vendor hereby agrees to sell, assign and transfer to the Purchaser, and the Purchaser agrees to purchase from the Vendor all of the Vendor's Interest in the Purchased Assets free and clear of all Encumbrances other than Permitted Encumbrances.

### 2.2 Transfer of Purchased Assets

Provided that Closing occurs and subject to the terms and conditions of this Agreement, possession, risk and beneficial ownership of the Purchased Assets shall transfer from the Vendor to the Purchaser on the Closing Date.

### 2.3 Assumption of Environmental Liabilities

In determining the Purchase Price, the Parties have taken into account Purchaser's assumption of responsibility for the payment of all costs for existing or future Environmental Liabilities associated with the Purchased Assets, as set forth in this Agreement, and the absolute release of the Debtor and Vendor of all and any responsibility or liability therefor.

## ARTICLE 3
## PURCHASE PRICE

### 3.1 Purchase Price

The purchase price to be paid by the Purchaser to the Vendor for the Purchased Assets shall be CAD $[redacted] (the "**Purchase Price**") as adjusted pursuant to Section 3.5.

### 3.2 Deposit

(a) Concurrently with the Purchaser's delivery of its executed copy of this Agreement to the Vendor, the Purchaser shall pay to the Vendor a deposit in the amount of [redacted] of the Purchase Price (the "**Deposit**");

(b) The Deposit will be held in trust by the Receiver or its legal counsel in a trust account for and on behalf of the Vendor, and shall be releasable in accordance with the terms of this Agreement. If Closing occurs in accordance with the terms and conditions of this Agreement, the Deposit shall be credited against the Purchase Price, in partial satisfaction of the Purchaser's obligation to pay the Purchase Price at Closing; and

(c) If Closing does not occur prior to the waiver and/or satisfaction of all conditions required to be waived and/or satisfied pursuant to Sections 6.1 and 6.2 of this Agreement for any reason, the Deposit shall be returned to the Purchaser within ten (10) Business Days of Vendor's receipt of written notice of non-waiver. If Closing does not occur following the waiver and/or satisfaction of all conditions required to be waived and/or satisfied pursuant to Sections 6.1 and 6.2 of this Agreement for any reason, the Vendor shall be entitled to retain the Deposit, the full amount of the Deposit shall be forfeited to the Vendor, and in any such case this Agreement shall thereupon terminate and each Party shall be released from all obligations and liabilities under or in connection with this Agreement. The Parties agree that the amount of the Deposit constitutes a genuine pre-estimate of liquidated damages representing the Vendor's Losses as a result of Closing not occurring and agree that the Vendor shall not be entitled to recover from the Purchaser any amounts that are in excess of the Deposit as a result of Closing not occurring. The Purchaser hereby waives any claim or defence that the amount of the Deposit is a penalty or is otherwise not a genuine pre-estimate of the Vendor's damages.

### 3.3 Payment of the Purchase Price

The Purchaser shall pay to the Vendor at Closing, by certified cheque, bank draft or electronic wire transfer, the adjusted Purchase Price as set forth in the Interim Statement of Adjustments (including applicable GST), less the Deposit.

### 3.4 Allocation of the Purchase Price

The Purchase Price shall be allocated among the Purchased Assets as mutually agreed by the Parties on the Closing Date.

3.5 **Adjustments**

(a) Subject to Section 3.5(c), all adjustments relating to the Purchased Assets, both incoming and outgoing, including property taxes, other Taxes, local improvement charges, utilities, costs and revenues incurred, accruing, payable, paid, received or receivable in respect of the Purchased Assets, including rentals, maintenance, development, capital and operating costs, advances, and payments with respect to Permitted Encumbrances and all other matters customarily the subject of adjustment on the sale of assets similar to the Purchased Assets shall, subject to the provisions of this Agreement, be apportioned on an accrual basis between the Vendor and the Purchaser as of the Effective Time, on and subject to the following:

(i) except as otherwise provided in this Section 3.5, costs and revenues shall accrue in accordance with GAAP;

(ii) all such costs and revenues accruing up to the Effective Time shall be for the Vendor's account and all costs and revenues accruing after the Effective Time shall be for the Purchaser's account;

(iii) all rentals, property taxes and other periodic payments (other than income taxes) shall be apportioned between the Vendor and the Purchaser on a per diem basis as of the Effective Time with all rentals, property taxes and other periodic payments accrued to the Effective Time for the Vendor's account and all rentals, property taxes and other periodic payments accrued after the Effective Time for the Purchaser's account;

(iv) there shall not be any adjustment on account of income taxes; and

(v) the Purchaser shall be solely responsible for all costs in preparing and registering and/or distributing any specific conveyances required in connection with the Transaction;

(b) The Vendor shall carry out an interim accounting and adjustment and prepare and deliver to the Purchaser at least three (3) Business Days prior to the Closing Date a statement setting forth the Vendor's good faith estimate of all adjustments to be made pursuant to this Section 3.5 (the "**Interim Statement of Adjustments**");

(c) The Vendor shall carry out a final accounting and adjustment and prepare and deliver to the Purchaser a statement setting forth all adjustments to be made pursuant to this Section 3.5 no later than thirty (30) days following the Closing Date (the "**Final Statement of Adjustments**"); and

(d) All adjustments shall be settled by the prompt payment by any Party obliged to make payment pursuant to this Agreement. Interest at the Prime Rate plus 2% per annum shall be paid on any adjustment which remains unpaid by one Party to another Party 30 days after receipt of the notice that adjustment is to be paid from such 30th day to the date of payment.

3.6 **GST**

The Purchase Price contemplated under this Agreement does not include GST. The Purchaser shall be liable for and pay to the Vendor the GST payable in connection with the purchase and sale of the Purchased Assets contemplated in this Agreement. If the Purchaser is a GST registrant under the GST Legislation, GST shall not be paid provided that the Purchaser provides the Vendor with its GST number, indemnifies the Vendor with respect to GST, and files a return as required by the GST Legislation. The Purchaser hereby indemnifies and saves harmless the Vendor from any GST, and related penalty, interest and other amounts which may be payable by or assessed against the Vendor under the GST Legislation as a result of or in connection with the subject transaction or the Vendor's failure to collect and remit the GST applicable on the sale of the Purchased Assets to the Purchaser.

### 3.7 No Right to Reduction in Purchase Price

Notwithstanding anything to the contrary in this Agreement, the Purchaser acknowledges and agrees that it shall have no right or other entitlement to any set-off, abatement or reduction in the Purchase Price as a result of, arising from or in connection with any claim against the Debtor or the Vendor, including in respect of any deficiency or allegation of deficiency in respect of the Purchased Assets, including, without limitation, any Environmental Liability or deficiency or title deficiency.

## ARTICLE 4
## REPRESENTATIONS AND WARRANTIES

### 4.1 Purchaser's Representations and Warranties

The Purchaser hereby represents and warrants to and in favour of the Vendor that:

(a) the Purchaser is a corporation duly incorporated and validly subsisting under the laws of the Province of Alberta and the jurisdiction of its incorporation and has the requisite power and authority to enter into this Agreement and to complete the Transaction;

(b) the Purchaser has taken all necessary corporate action to authorize the entering into and performance by it of this Agreement;

(c) provided that Court Approval is obtained, execution, delivery and performance of this Agreement by the Purchaser does not and will not require any consent, approval, authorization or other order of, action by, filing with or notification to, any Governmental Authority, except where failure to obtain such consent, approval, authorization or action, or to make such filing or notification, would not prevent or materially delay the consummation by the Purchaser of the Transaction;

(d) provided Court Approval is obtained, the consummation of the Transaction will not constitute or result in a material violation, breach or default by it under any provision of any agreement or instrument to which it is a party or by which is it bound or any judgment, law, decree, order or ruling applicable to it;

(e) it is acquiring the Purchased Assets in its capacity as a principal and is not purchasing the Purchased Assets as agent or representative of any third party;

(f) this Agreement has been duly executed and delivered by the Purchaser and constitutes a legal, valid and binding obligation of the Purchaser and is enforceable against the Purchaser in accordance with its terms, except as enforceability may be limited by

applicable bankruptcy, insolvency, reorganization or similar Applicable Laws relating to creditors' rights generally and subject to general principles of equity;

(g) there is no requirement for the Purchaser to make any filing with, give any notice to, or obtain any authorization of, any Governmental Authority pursuant to the *Competition Act* (Canada), as a result of, in connection with, or as a condition to the lawful completion of the Transaction; and

(h) the Purchaser is not a non-Canadian person within the meaning of the *Investment Canada Act* nor a non-resident for the purposes of the *Income Tax Act*.

4.2 **No Representations and Warranties by the Vendor**

(a) Neither the Vendor nor any of its Representatives makes any representations or warranties, and in particular, and without limiting the generality of the foregoing, the Vendor disclaims and neither the Vendor nor any of its Representatives shall be liable for any representation or warranty which may have been made or alleged to be made in any instrument or document related hereto, or in any statement or information made or communicated to the Purchaser in any manner including any opinion, information, or advice which may have been provided to the Purchaser by the Vendor or any of its Representatives in connection with the Purchased Assets or in relation to the Transaction. For greater certainty, but without limiting the generality of the foregoing, neither the Vendor nor any of its Representatives makes any condition, representation or warranty, express or implied, with respect to:

(i) the Data Room Information or any other data or information supplied by the Vendor or any of its Representatives in connection with the Purchased Assets, including by way of management presentations or otherwise;

(ii) the value of any of the Purchased Assets or the future cash flow therefrom;

(iii) the quality, condition, description, fitness for purpose, suitability, serviceability or merchantability of the Purchased Assets for any purpose whatsoever;

(iv) the quality, status and enforceability of any Leases affecting the Purchased Assets or the default status of any respective tenants; or

(v) any defects, errors or omissions on or in the Purchased Assets, or any other conditions (whether patent, latent or otherwise), including, without limitation, soil quality, environmental contamination (including Environmental Liabilities) and geological stability, affecting the Purchased Assets;

(b) The descriptions of the Purchased Assets are for purposes of identification only and no condition, warranty, or representation has been or will be given by the Vendor concerning the accuracy, completeness or any other matter concerning those descriptions;

(c) The Purchaser acknowledges and confirms that it is relying on its own investigations concerning the Purchased Assets and it has not relied on advice from the Vendor or any of its Representatives with respect thereto, including with respect to the matters specifically enumerated in Sections 4.2(a) and 4.2(b) of the immediately preceding paragraphs in

connection with the purchase of the Purchased Assets pursuant to this Agreement. The Purchaser further acknowledges and agrees that it is acquiring the Purchased Assets on an "**as is, where is**" basis and there are no representations, warranties, or conditions made in respect of the Purchased Assets except as expressly set out herein. The Purchaser acknowledges and agrees that it is: (i) familiar with the condition of the Purchased Assets, (ii) relying on its own inspections and reviews in all respects, and (iii) not relying upon any representations or warranties of the Vendor as to the condition of the Purchased Assets; and

(d) Except for its express rights under this Agreement, the Purchaser hereby waives all rights and remedies (whether now existing or hereinafter arising and including all common law, tort, contractual and statutory rights and remedies) against the Vendor and its Representatives in respect of the Purchased Assets or the Transaction or any representations or statements made or information or data furnished to the Purchaser or its Representatives in connection herewith (whether made or furnished orally or by electronic, faxed, written or other means).

## ARTICLE 5
## COVENANTS

### 5.1 Leases, Licences, Certificates and Third Party Consents

(a) Both before and after Closing, the Purchaser shall use all commercially reasonable efforts to obtain any and all approvals, licences and permits required under Applicable Law and any and all material consents of Third Parties required to permit the Transaction to be completed or that may be required for the Purchaser to own and operate the Purchased Assets. The Purchaser acknowledges that the Vendor has no obligation to transfer any Leases or permits or licences to the Purchaser, and that the Purchaser is solely responsible for obtaining consent to transfer the Leases. Without limiting the generality of the foregoing, it is the sole obligation of the Purchaser, at the Purchaser's sole cost and expense, to:

(i) obtain and pay the cost of any consents, permits, licences, certificates, including but not limited to, estoppel certificates from the condominium corporation, assignments, registration fees, attorney and agent fees, filing fees, issue fees or other authorizations and assignments necessary or desirable for the transfer of such right, title and interest, to the Purchaser or for the operation or use of the Purchased Assets;

(ii) obtain all Third Party consents that are required to complete the Transaction and own and operate the Purchased Assets;

(iii) obtain the consent to transfer the Leases, if at all; and

(iv) provide any and all financial assurances that may be required by Governmental Authorities or any Third Parties to permit the transfer to the Purchaser of any of the Purchased Assets.

However, to the extent the Vendor is able to transfer any leases, permits or licences to the Purchaser, the Vendor will use reasonable efforts to transfer such leases, permits and licences to the Purchaser, provided that the Purchaser pays all costs associated with such transfer.

(b) The Purchaser acknowledges that the transfers of Leases shall not be a condition precedent to Closing and that the Purchaser may not obtain transfers of Leases at all.

5.2 **Court Approval**

The Vendor shall prepare all materials, and shall promptly apply to the Court for, and use its commercially reasonable efforts to obtain, the Court Approval as soon as reasonably practicable following the dates set forth herein. The Purchaser, at its own expense, shall promptly provide to the Vendor all such information and assistance within the Purchaser's power as the Vendor may reasonably request to obtain the Court Approval, including such information as may be required to reasonably evaluate the Purchaser's financial ability to perform its obligations hereunder. The application for Court Approval may be adjourned or rescheduled by the Vendor or its Representatives upon notice to the Purchaser.

5.3 **Environmental Matters**

The Purchaser acknowledges that, insofar as the Environmental condition of the Purchased Assets is concerned, the Purchaser is acquiring the Purchased Assets pursuant hereto on an "**as is, where is**" basis. The Purchaser acknowledges that it is familiar and satisfied with the condition of the Purchased Assets, including the past and present use of the Purchased Assets, that the Vendor has provided the Purchaser with a reasonable opportunity to inspect the Purchased Assets at the sole cost, risk and expense of the Purchaser (insofar as the Vendor could reasonably provide such access) and that the Purchaser is not relying upon any representation or warranty of the Vendor as to the Environmental condition of the Purchased Assets, or as to any Environmental Liabilities. Provided that Closing has occurred, the Purchaser shall:

(a) be solely liable and responsible for any and all Losses which the Vendor and its Representatives may suffer, sustain, pay or incur; and

(b) indemnify, release and save harmless the Vendor and its Representatives from any and all Losses, actions, proceedings and demands, whatsoever which may be brought against or suffered by the Vendor or which the Vendor may sustain, pay or incur,

as a result of any matter or thing arising out of, resulting from, attributable to or connected with any Environmental Liabilities. Once Closing has occurred, the Purchaser shall be solely responsible for all Environmental Liabilities both to Third Parties and as between the Vendor and the Purchaser (whether such Environmental Liabilities occur or accrue prior to, on or after the Closing Date), and hereby releases the Vendor from any Claims the Purchaser may have against the Vendor with respect to all such liabilities and responsibilities. Without restricting the generality of the foregoing, the Purchaser shall be responsible for all Environmental Liabilities (whether such Environmental Liabilities occur or accrue prior to, on or after the Closing Date) in respect of the Purchased Assets. This assumption of liability and indemnity by the Purchaser shall apply without limit and without regard to cause or causes, including the negligence (whether sole, concurrent, gross, active, passive, primary or secondary) or the wilful or wanton misconduct or recklessness of any or all of the Vendor, its Representatives and their respective successors and assigns or any other Person otherwise. The Purchaser further acknowledges and agrees that it shall not be entitled

to any rights or remedies as against the Vendor or its Representatives, or their respective successors and assigns under the common law or statute pertaining to any Environmental Liabilities, including the right to name any or all of the Vendor, its Representatives, and their respective successors and assigns as a 'third party' to any action commenced by any Person against the Purchaser. The Purchaser's assumption of liability and the indemnity obligation set forth in this Section 5.3 shall survive the Closing Date indefinitely.

## ARTICLE 6
## CONDITIONS

### 6.1 Mutual Conditions

The respective obligations of the Parties to complete the Transaction are subject to the following conditions being fulfilled or performed as at or prior to the dates stated below:

(a) Court Approval shall have been granted on or before thirty (30) days after waiver or satisfaction of the conditions set forth in Section 6.2 herein;

(b) no injunction or other order has been issued to enjoin, restrict or prohibit the Transaction as at or prior to the Time of Closing; and

(c) on the Closing Date, the Closing is not otherwise prohibited by Applicable Law.

The foregoing conditions are for the mutual benefit of the Vendor and the Purchaser and may be asserted by the Vendor or the Purchaser regardless of the circumstances and may be waived only with the Agreement of both the Vendor and the Purchaser.

### 6.2 Conditions for the Benefit of the Purchaser

**This Asset Purchase Agreement is unconditional.**

### 6.3 Conditions for the Benefit of the Vendor

The obligation of the Vendor to complete the Transaction is subject to the following conditions being fulfilled or performed as at or prior to the Time of Closing:

(a) all representations and warranties of the Purchaser contained in this Agreement shall be true and correct in all material respects as at the Time of Closing with the same force and effect as if made at and as of such time and the Purchaser shall have delivered to the Vendor a certificate to that effect;

(b) the Purchaser has complied with and performed in all material respects all of its covenants and obligations contained in this Agreement; and

(c) no Party comprising the Vendor has lost its ability to convey the Purchased Assets or any of them due to an order of the Court or otherwise pursuant to the Receivership Proceedings, provided such order or other action pursuant to the Receivership Proceedings is not at the voluntary initiative of the Vendor.

The foregoing conditions are for the exclusive benefit of the Vendor and may be waived by it in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which

the Vendor may have. If any of the said conditions have not been complied with or waived by the Vendor at or before the Time of Closing, the Vendor may terminate this Agreement by written notice to the Purchaser.

### 6.4 Satisfaction of Conditions

Each of the Parties shall proceed diligently and in good faith and use all commercially reasonable efforts to fulfill and assist in the fulfillment of the conditions set forth in Sections 6.1, 6.2 and 6.3. In addition, each of the Parties agrees not take any action that could reasonably be expected to preclude, delay or have an adverse effect on the Transaction or, in the case of the Purchaser, that would render, or may reasonably be expected to render, any representation or warranty made by the Purchaser in this Agreement untrue in any material respect.

## ARTICLE 7
## CLOSING

### 7.1 Closing Date and Place of Closing

Subject to the conditions set out in this Agreement, the Transaction shall close and be completed on the Closing Date. The completion of the Transaction shall take place at the Time of Closing at the offices of the Receiver's solicitors, or at such other time or such other location as the Parties may agree in writing.

### 7.2 Deliveries on Closing by the Vendor

The Vendor shall deliver to the Purchaser's Solicitors in sufficient time to allow for registration at the Land Titles Office the following documents (the "**Closing Documents**") fully executed by the Vendor, where applicable, or such other parties as may be specified (other than the Purchaser), in each case, on such reasonable trust conditions and undertakings that are consistent with the provisions of this Agreement (and, if applicable, allow for the use of title insurance to close this transaction) and as would customarily be imposed in a similar receivership transaction in the City of Calgary, Alberta, subject to Section 7.3:

(a) a certified copy of the Court Approval;

(b) a registrable transfer of land for the Property duly executed by the Vendor;

(c) the Interim Statement of Adjustments (which for clarity, shall be delivered prior to Closing as specified in Section 3.5(b));

(d) all keys, codes, combinations and other access devices to the Purchased Assets in the Vendor's possession and control; and

(e) such other documents as are required by this Agreement.

### 7.3 Deliveries on Closing by the Purchaser

The Purchaser shall deliver to the Vendor's Solicitor by the Time of Closing on the Closing Date the following instruments and documents, fully executed by the Purchaser, where applicable, or such other Parties as may be specified:

(a) the Purchase Price payable in cash by certified cheque, bank draft or electronic wire transfer to the Vendor in accordance with Section 3.3; and

(b) such other documents as are required by this Agreement.

### 7.4 Risk and Insurance

The risk of loss of the Purchased Assets shall remain with the Vendor until Closing. Any property, liability and other insurance maintained by the Vendor shall not be transferred as of the Time of Closing, but shall remain the responsibility of the Vendor until the Time of Closing. The Purchaser shall be responsible for placing its own property, liability and other insurance coverage with respect to the Purchased Assets in respect of the period from and after the Time of Closing.

## ARTICLE 8
## INDEMNITY

### 8.1 Indemnification Given by Purchaser

If Closing occurs, the Purchaser shall:

(a) be liable to the Vendor for; and

(b) as a separate covenant, indemnify the Vendor and its Representatives from and against,

all Losses suffered, sustained, paid or incurred by any of them to the extent arising or accruing on or after the Effective Time and which relate to the Purchased Assets, including all Losses attributable to the ownership, operation, use, construction or maintenance of the Purchased Assets arising or accruing on or after the Effective Time and in respect of the indemnities specified in Section 5.3. The Purchaser's indemnity obligation set forth in this Section 8.1 shall survive the Closing Date indefinitely.

### 8.2 Third Party Claims

(a) If the Vendor receives notice of the commencement or assertion of any Third Party Claim for which the Purchaser is liable pursuant to this Agreement, the Vendor shall give the Purchaser reasonably prompt notice thereof, but in any event no later than 14 days after receipt of such notice of such Third Party Claim. Such notice to the Purchaser shall describe the Third Party Claim in reasonable detail and shall indicate, if reasonably practicable, the estimated amount (or the method of computation of the amount) of the Loss that has been or may be sustained by the Vendor, and a reference to the provisions of this Agreement upon which such claim is based;

(b) The Purchaser may participate in the defence of any Third Party Claim by giving notice to that effect to the Vendor not later than 14 days after receiving notice of that Third Party Claim (the "**Notice Period**") so long as: (i) the Purchaser first acknowledges to the Vendor, in writing, liability to the Vendor under this Agreement with respect to such Third Party Claim and that the outcome of such Third Party Claim does not alter or diminish the Purchaser's obligation to indemnify the Vendor pursuant to this Agreement, subject to the Purchaser's right to contest in good faith the Third Party Claim; (ii) the Purchaser has the financial resources to defend against the Third Party Claim and fulfill any indemnification obligations and has provided the Vendor with evidence thereof; (iii) the Third Party Claim

involves monetary damages; and (iv) the Purchaser participates in the defence of the Third Party Claim actively and diligently. The Purchaser's right to do so shall be subject to the rights of any insurer or other third party who has potential liability in respect of that Third Party Claim. The Purchaser shall pay all of its own expenses of participating in or assuming such defence. The Vendor shall cooperate in good faith in the defence of each Third Party Claim and may participate in such defence assisted by counsel of its own choice at its own expense; and

(c) If the Vendor has not received notice within the Notice Period that the Purchaser has elected to participate in the defence of such Third Party Claim, or if the Purchaser has given such notice but thereafter fails or is unable to participate in the defence of such Third Party Claim actively and diligently, the Vendor may, at its option, elect to settle or compromise the Third Party Claim on terms of its choosing, or assume such defence assisted by counsel of its own choosing, and the Purchaser shall be liable for all reasonable costs and expenses paid or incurred in connection therewith (including legal fees on a solicitor and its own client, full indemnity basis) and any Loss suffered or incurred by the Vendor with respect to such Third Party Claim.

### 8.3 Failure to Give Timely Notice

A failure to give timely notice as provided in this Article 8 shall not affect the rights or obligations of any Party except and only to the extent that, as a result of such failure, any Party which was entitled to receive such notice was deprived of its right to recover any payment under any applicable insurance coverage or was otherwise prejudiced as a result of such failure.

### 8.4 No Merger

There shall not be any merger of any liability or indemnity hereunder in any assignment, conveyance, transfer or document delivered pursuant hereto notwithstanding any rule of law, equity or statute to the contrary and all such rules are hereby waived.

## ARTICLE 9
## TERMINATION

### 9.1 Grounds for Termination

This Agreement may be terminated at any time prior to Closing by either the Vendor or the Purchaser (as applicable) if the conditions for the benefit of the Vendor or Purchaser (as applicable), or both, pursuant to the provisions of Article 6 are not satisfied or waived by or on the date specified for satisfaction or waiver.

### 9.2 Effect of Termination

Notwithstanding any termination of this Agreement by the Vendor or the Purchaser as permitted under Section 9.1, the provisions of Sections 10.1, 10.3, 10.4, 10.10 and 10.13 shall remain in full force and effect following any such permitted termination, and the Deposit shall be governed by Section 3.2.

## ARTICLE 10
## MISCELLANEOUS

### 10.1 Public Announcements

The Confidentiality Agreement remains in full force and effect notwithstanding the execution and delivery of this Agreement, and/or the Closing. If the Purchaser intends to issue a press release or other public disclosure of this Agreement, the terms hereof or the Transaction, the Purchaser shall provide the Vendor with an advance copy of any such press release or public disclosure not later than five (5) Business Days prior to the actual press release date or public disclosure date in order to provide the Vendor sufficient time to review such press release or other public disclosure and provide any comments. The Purchaser shall not issue such press release or other public disclosure without the prior written consent of the Vendor. Nothing in this provision shall apply to the Vendor's efforts to seek and obtain Court Approval.

### 10.2 Obligations to Survive

The obligations, covenants, representations and warranties (if any) of the Parties set out in this Agreement shall survive Closing, shall remain in full force and effect, shall not merge as a result of Closing and shall be binding on the Parties thereafter.

### 10.3 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta, and the federal laws of Canada applicable therein (excluding any conflict of law rule or principle of such laws that might refer such interpretation or enforcement to the laws of another jurisdiction). Each Party irrevocably submits to the exclusive jurisdiction of the Court with respect to any matter arising hereunder or relating hereto (located, where available, in the judicial district of Calgary).

### 10.4 Damages

Under no circumstance shall any of the Parties, their Representatives or their respective directors, officers, employees or agents be liable for any punitive, exemplary, consequential or indirect damages (including for greater certainty, any loss of profits) that may be alleged to result, in connection with, arising out of, or relating to this Agreement or the Transaction.

### 10.5 Further Assurances

Each of the Parties hereto from and after the date hereof shall, from time to time, and at the request and expense of the Party requesting the same, do all such further acts and things and execute and deliver such further instruments, documents, matters, papers and assurances as may be reasonably requested to complete the Transaction and for more effectually carrying out the true intent and meaning of this Agreement.

### 10.6 No Assignment by Purchaser

The Purchaser shall not, without the Vendor's prior written consent, assign any right or interest in this Agreement, which consent may not be unreasonably withheld.

### 10.7 Waiver

No failure on the part of any Party in exercising any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or remedy preclude any other or further exercise thereof or the exercise of any right or remedy in law or in equity or by statute or otherwise conferred. No waiver by any Party of any breach (whether actual or anticipated) of any of the terms, conditions, representations or warranties contained herein shall take effect or be binding upon that Party

unless the waiver is expressed in writing under the authority of that Party. Any waiver so given shall extend only to the particular breach so waived and shall not limit or affect any rights with respect to any other or future breach.

10.8 **Amendment**

This Agreement shall not be varied in its terms or amended by oral agreement or by representations or otherwise other than by an instrument in writing dated subsequent to the date hereof, executed by a duly authorized representative of each Party.

10.9 **Time of the Essence**

Time is of the essence in this Agreement.

10.10 **Costs and Expenses**

Each Party shall be responsible for all costs and expenses (including the fees and disbursements of legal counsel, bankers, investment bankers, accountants, brokers and other advisors) incurred by it in connection with this Agreement and the Transaction. No Party shall be responsible for the costs and expenses of the other Party.

10.11 **Notices**

Any notice, demand or other communication required or permitted to be given to any Party shall be given in writing and addressed as follows:

(a) in the case of the Vendor or the Receiver:

BDO Canada Limited
110, 5800 -2nd Street SW
Calgary, AB T2H 0H2
Attention: Kevin Meyler / Angelo Consoli
Fax: 403-640-0591
Email: kmeyler@bdo.ca / aconsoli@bdo.ca

and with a copy to the Receiver's solicitors:

Dentons Canada LLP
15 Floor Bankers Court
850 – 2nd Street SW
Calgary, AB, Canada T2P 0R8
Attention: Afshan Naveed
Fax: 403-268-3100
Email: afshan.naveed@dentons.com

(b) In the case of the Purchaser:

CAKO Holdings Ltd
1410-1 Street SW
T2R0V8

Attention: Tony Casola
Phone: 403-287-9960:
Email: tony@ckarch.ca

And with a copy to the Purchaser's solicitors:

Robertson LLP
Attention: Ryan Robertson
Phone: 403-407-2605
Email: rrobertson@robertsonllp.ca

Any such notice, if personally delivered, shall be deemed to have been validly and effectively given and received on the Business Day of such delivery and if sent by facsimile or other electronic communication with confirmation of transmission, shall be deemed to have been validly and effectively given and received on the Business Day next following the day it was received.

10.12 **Enurement**

This Agreement shall be binding upon, and enure to the benefit of, the Parties and their respective successors and permitted assigns.

10.13 **Third Party Beneficiaries**

Each Party intends that this Agreement shall not benefit or create any right or cause of action in or on behalf of any person other than the Parties and their successors and permitted assigns, and no person, other than the Parties and their successors and permitted assigns shall be entitled to rely on the provisions hereof in any action, suit, proceeding, hearing or other forum.

10.14 **Severability**

If any provision of this Agreement or any document delivered in connection with this Agreement is partially or completely invalid or unenforceable, the invalidity or unenforceability of that provision shall not affect the validity or enforceability of any other provision of this Agreement, all of which shall be construed and enforced as if that invalid or unenforceable provision were omitted. The invalidity or unenforceability of any provision in one jurisdiction shall not affect such provision validity or enforceability in any other jurisdiction.

10.15 **Entire Agreement**

This Agreement (and the Confidentiality Agreement) constitute the entire agreement between the Parties with respect to the subject matter hereof and cancel and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, between the Parties with respect to the subject matter hereof. There are no conditions, covenants, agreements, representations, warranties or other provisions, whether oral or written, express or implied, collateral, statutory or otherwise, relating to the subject matter hereof other than those contained in this Agreement.

10.16 **Counterparts**

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which shall constitute one and the same agreement. Transmission by facsimile or other

electronic means of an executed counterpart of this Agreement shall be deemed to constitute due and sufficient delivery of such counterpart.

10.17 **Acceptance**

**This Agreement shall remain Open for Acceptance in writing by the Vendor until 4:00 PM Calgary time on the 1st day of November 2024, by executing and returning a copy of this Agreement to the Purchaser.**

***[Remainder of page intentionally left blank; Signature page follows]***

**IN WITNESS WHEREOF** this Agreement has been properly executed by the Parties as of the date first above written.

**BDO CANADA LIMITED** in its capacity as Receiver, without security, of all of the current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof, of the Debtor, and not in its personal or corporate capacity

Per: _____

Name: Kevin Meyler

Title: Senior Vice President

**CAKO Holdings Ltd.**

Per: _____

Name: Tony Casola

Title :President

## SCHEDULE "A"

## PERMITTED ENCUMBRANCES

1. The reservations, limitations, exceptions, provisos and conditions, if any, expressed in any original grants from the Crown, including, without limitation, the reservation of any mines and minerals in the Crown or in any other person and any implied conditions set out in s.61 of the Land Titles Act (Alberta) as amended, replaced or restated from time to time;

2. Encumbrances given as security to a public utility or any Governmental Authority when required in the ordinary course of business but only insofar as they relate to any obligations or amounts not due as at the Closing Date;

3. All rights reserved to or vested in any Governmental Authority pursuant to Applicable Law to control or regulate the Property in any manner, including any unregistered, undetermined or inchoate liens, levies or claims in favour of the Crown, any province or municipality or any Governmental Authority;

4. Rights of expropriation, access or use or any similar right conferred or reserved by or in any statute of Alberta or Canada;

5. Applicable municipal by-laws, development agreements, subdivision agreements, site plan agreements, servicing agreements, cost sharing reciprocal agreements and building and zoning restrictions and other similar agreements;

6. Any easements, servitudes, rights-of-way, licences, agreements, restrictions that run with the land and other Encumbrances (including easements, rights-of-way and agreements for railways, sewers, drains, gas and water mains or electric light and power or telephone, telecommunications or cable conduits, poles, wires and cables);

7. Any privilege in favour of any lessor, licensor or permitter for rent to become due or for other obligations or acts, the performance of which is required under contracts of the Vendor so long as the payment or the performance of such other obligation or act is not delinquent and provided that such Encumbrances or privileges do not materially affect the use or the operation of the assets affected thereby;

8. Any Encumbrances permitted by an order of the Court and acceptable to the Purchaser;

9. The interests of any lessors in respect of the Leases; and

10. The following specific instruments registered against the title(s) to the Property:

| Instrument Number | Particulars |
|---|---|

**[NTD: Enter permitted encumbrances here.]**

# APPENDIX “C”

# ASSET PURCHASE AGREEMENT

**November 15, 2024**

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November MO

**ASSET PURCHASE AGREEMENT** dated ~~October~~ **15, 2024**

**BETWEEN:**

**BDO CANADA LIMITED** in its capacity as Receiver, without security, of all of the current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof, of Safeguard Real Estate Investment Fund IV Limited Partnership and CEP LP Investment Corp. and not in its personal or corporate capacity (the "**Vendor**")

MO

S & O LAW HOLDINGS INC. - and -

~~**S & O Holdings Inc.**~~ a body corporate, having an office in the City of **[Calgary]** in the Province of **[Alberta]** (the "**Purchaser**").

**WHEREAS:**

A. Pursuant to the provisions of, among other things, the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**"), the Alberta Court of Queen's Bench (the "**Court**") granted a receivership order appointing BDO CANADA LIMITED as receiver and receiver and manager, without security, of all of the current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof, of Safeguard Real Estate Investment Fund IV Limited Partnership ("**Safeguard**") and CEP LP Investment Corp. ("**CEP**", together with Safeguard, collectively the "**Debtor**") on December 4, 2020 (the "**Receivership Order**");

B. In connection with the Receivership Proceedings (as defined herein) and the Receivership Order, the Vendor, subject to approval by the Court, has agreed to sell, transfer and assign to the Purchaser, all of the right, title and interest of the Vendor to the Purchased Assets, and the Purchaser has agreed to purchase the Purchased Assets from the Vendor, on the terms and conditions set forth herein;

**NOW THEREFORE** this Agreement witnesses that in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged by each Party to the other, the Parties agree as follows:

## ARTICLE 1
## INTERPRETATION

### 1.1 Definitions

In this Agreement:

(a) "**Acceptance Date**" means the date both parties execute and deliver this Agreement;

(b) "**Affiliate**" means, with respect to any person, any other person or group of persons acting in concert, directly or indirectly, that controls, is controlled by or is under common control with such person. The term "control" as used in the preceding sentence means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a person whether through ownership of more than 50% of the

voting securities of such person, through being the general partner or trustee of the other person, or through contract or otherwise;

(c) "**Agreement**" means this asset purchase agreement and any Schedule attached hereto;

(d) "**Applicable Law**" means, in respect of any person, assets, transaction, event or circumstance:

(i) statutes (including regulations enacted thereunder);

(ii) judgments, decrees and orders of courts of competent jurisdiction;

(iii) regulations, orders, ordinances and directives issued by Government Authorities; and

(iv) the terms and conditions of all permits, licences, approvals and authorizations;

which are applicable to such person, asset, transaction, event or circumstance;

(e) "**BIA**" has the meaning ascribed to that term in the recitals;

(f) "**Business Day**" means a day other than a Saturday, Sunday or any other day on which the principal chartered banks located in Calgary, Alberta are not open for the transaction of domestic business during normal banking hours;

(g) "**Claim**" means any right or claim of any person that may be asserted or made in whole or in part against the Debtor or any of its Affiliates and their respective directors, officers, employees, agents or advisors, whether or not asserted or made, in connection with any indebtedness, liability or obligation of any kind whatsoever, and any interest accrued thereon or costs payable in respect thereof, including without limitation, by reason of the commission of a tort (intentional or unintentional), by reason of any breach of contract or other agreement (oral or written), by reason of any breach of duty (including, without limitation, any legal, statutory, equitable or fiduciary duty) or by reason of any right of ownership of or title to property or assets or right to a trust or deemed trust (statutory, express, implied, resulting, constructive or otherwise), and whether or not any indebtedness, liability or obligation is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, present or future, known or unknown, by guarantee, surety or otherwise, and whether or not any right or claim is executory or anticipatory in nature including, without limitation, any right or ability of any person to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause or chose in action whether existing at present or commenced in the future, together with any other rights or claims of any kind that, if unsecured, would be a debt provable in bankruptcy within the meaning of the BIA had the Debtor become bankrupt;

(h) "**Closing**" means the completion of the purchase by the Purchaser and sale by the Vendor of the Purchased Assets and the completion of all other transactions contemplated by this Agreement that are to occur contemporaneously with such sale, all subject to and in accordance with the terms and conditions of this Agreement;

(i) "**Closing Date**" means February 27, 2025, providing there is first satisfaction or waiver of all of the conditions set forth in Article 6 hereof (or such other Business Day as the Parties may agree in writing);

(j) "**Confidentiality Agreement**" means the confidentiality agreement made between the Parties, dated November 15, 2024;

(k) "**Court**" has the meaning ascribed to that term in the recitals;

(l) "**Court Approval**" means the approval of the Transaction by the Court; pursuant to the terms of an approval and vesting order that is satisfactory, in both form and substance, to the Parties;

(m) "**Data Room Information**" means all information made available (by the Receiver, is Representative, or otherwise) for the Purchaser's review in relation to the Debtor, its Affiliates and the Purchased Assets;

(n) "**Debtor**" has the meaning ascribed to that term in the recitals;

(o) "**Deposit**" has the meaning ascribed to that term in Section 3.2;

(p) "**Effective Time**" means 12:01 a.m. (Calgary time) on the Closing Date;

(q) "**Encumbrances**" means any pledges, liens, security interests, encumbrances, claims, charges, options or interests;

(r) "**Environment**" means the components of the earth and includes ambient air, land, surface and subsurface strata, groundwater, surface water, all layers of the atmosphere, all organic and inorganic matter and living organisms, and the interacting natural systems that include such components, and any derivative thereof shall have a corresponding meaning;

(s) "**Environmental Liabilities**" means all past, present and future liabilities, obligations and expenses in respect of the Environment which relate to the Purchased Assets (or lands pooled or unitized with lands which may form part of the Purchased Assets), or which arise in connection with the ownership thereof or operations pertaining thereto, including liabilities related to or arising from:

(i) transportation, storage, use or disposal of toxic or hazardous substances;

(ii) release, spill, escape, emission, leak, discharge, migration or dispersal of toxic or hazardous substances; or

(iii) pollution or contamination of or damage to the Environment;

including liabilities to compensate Third Parties for damages and Losses resulting from the items described in items (i), (ii) and (iii) above (including damage to property, personal injury and death) and obligations to take action to prevent or rectify damage to or otherwise protect the Environment;

(t) "**Final Statement of Adjustments**" has the meaning ascribed to that term in Section 3.5;

(u) "**GAAP**" means accounting principles generally accepted in Canada including those recommended or approved by the Canadian Institute of Chartered Professional Accountants at the relevant time including to the extent applicable, international financial reporting standards;

(v) "**Governmental Authority**" means any domestic or foreign government, whether federal, provincial, state, territorial or municipal; and any governmental agency, ministry, department, tribunal, commission, bureau, board or other instrumentality exercising or purporting to exercise legislative, judicial, regulatory or administrative functions of, or pertaining to, government, having jurisdiction over a Party, the Purchased Assets or the Transaction;

(w) "**Governmental Order**" means any order, writ, judgment, injunction, decree, stipulation, determination or award entered by or with any Governmental Authority;

(x) "**GST**" means taxes, interest, penalties and fines imposed under Part IX of the *Excise Tax Act* (Canada) and the regulations made thereunder; and "**GST Legislation**" means such act and regulations collectively;

(y) "**Income Tax Act**" means, collectively, the *Income Tax Act*, R.S.C. 1985, c.1 (5th Supplement), the *Income Tax Application Rules*, R.S.C. 1985, c.2 (5th Supplement) and the *Income Tax Regulations*, in each case as amended to the date hereof;

(z) "**Interim Statement of Adjustments**" has the meaning ascribed to that term in Section 3.5;

(aa) "**Leases**" means the Vendor's Interest, if any, in the leasing and financing agreements set forth in Schedule [**N/A**] to this Agreement;

(bb) "**Legal Proceeding**" means any litigation, action, suit, investigation, hearing, claim, complaint, grievance, arbitration proceeding or other proceeding and includes any appeal or review or retrial of any of the foregoing and any application for same;

(cc) "**Losses**" means any and all assessments, charges, costs, damages, debts, expenses, fines, liabilities, losses, obligations and penalties, whether accrued or fixed, absolute or contingent, matured or unmatured or determined or determinable, including those arising under any Applicable Law, Claim by any Governmental Authority or Governmental Order and those arising under any contract, agreement, arrangement, commitment or undertaking and costs and expenses of any Legal Proceeding, assessment, judgment, settlement or compromise relating thereto, and all interest, fines and penalties and reasonable legal fees and expenses incurred in connection therewith (on a full indemnity basis);

(dd) "**Notice Period**" has the meaning ascribed to that term in Section 8.2(b);

(ee) "**Parties**" means, collectively, the Purchaser and the Vendor, and "**Party**" means any one of them;

(ff) "**Permitted Encumbrances**" means those Encumbrances set out in Schedule "A" to this Agreement;

(gg) "**Person**" means any individual, corporation, limited or unlimited liability company, joint venture, partnership (limited or general), trust, trustee, executor, Governmental Authority or other entity;

(hh) "**Prime Rate**" means the rate of interest, expressed as a rate per annum, designated by the main branch in Calgary, Alberta of **[NTD: Enter Bank's Name]** as the reference rate used by it to determine rates of interest charged by it on Canadian dollar commercial loans made in Canada and which is announced by such bank, from time to time, as its prime rate, provided that whenever such bank announces a change in such reference rate then the "Prime Rate" for the purposes of this Agreement shall correspondingly change effective on the date the change in such reference rate is effective;

(ii) "**Property**" means the condominium unit(s) legally described as:

Parcel 1:
**CONDOMINIUM PLAN 0811241**
**UNIT 22**
**AND 175 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY EXCEPTING THEREOUT ALL MINES AND MINERALS**

Parcel 2:
**CONDOMINIUM PLAN 0811241**
**UNIT 23**
**AND 99 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY EXCEPTING THEREOUT ALL MINES AND MINERALS**

Parcel 3:
**CONDOMINIUM PLAN 0811241**
**UNIT 26**
**AND 182 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY EXCEPTING THEREOUT ALL MINES AND MINERALS**

Parcel 4-6:
**Three (3) underground parking stalls under CONDOMINIUM PLAN 0811241 to be chosen by the Vendor.**

(including all fixtures and improvements located therein);

(jj) "**Purchased Assets**" means all of the Vendor's Interest in and to the Property and all of the Vendor's Interest in and to the equipment and personal property used in connection with the Property including, without limitation, those assets set out in Schedule [●] hereto;

(kk) "**Purchase Price**" has the meaning ascribed to that term in Section 3.1;

(ll) "**Purchaser's Conditions**" means the conditions set forth in Section 6.2;

(mm) "**Purchaser's Solicitor**" means [Hoffman Dorchik LLP], attention: [Gordon Hoffman];

(nn) "**Receiver**" means BDO Canada Limited, in its capacity as the Court-appointed receiver and receiver and manager of all of the Debtor's current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof;

(oo) "**Receivership Proceedings**" means the proceedings where the Receiver was appointed, namely Alberta Court of Queen's Bench Action No. 1801-06804;

(pp) "**Receivership Order**" has the meaning ascribed to that term in the recitals;

(qq) "**Representative**" means, in respect of a person, each director, officer, employee, agent, legal counsel, accountant, professional advisor and other representative of such person and its Affiliates, and with respect to the Vendor, includes the Receiver and their respective Affiliates, directors, officers, employees, agents, legal counsel, accountants, professional advisors and other representatives;

(rr) "**Tax Legislation**" means, collectively, the Income Tax Act and all Canadian federal, provincial, state, territorial, county, municipal and local, foreign, or other statutes, ordinances or regulations imposing a Tax, including all treaties, conventions, rules, regulations, orders, and decrees of any jurisdiction;

(ss) "**Tax**" or "**Taxes**" means all taxes, assessments, charges, dues, duties, rates, fees, imposts, levies and similar charges of any kind lawfully levied, assessed or imposed by any Governmental Authority under any applicable Tax Legislation, including, Canadian federal, provincial, state, territorial, county, municipal and local, foreign or other income, capital, capital gains, goods and services, sales, use, consumption, excise, value added (including GST and Harmonized Sales Tax), business, real property, personal property, transfer, franchise, withholding, payroll, or employer health taxes, customs, import, anti-dumping or countervailing duties, Canada Pension Plan contributions, employment insurance premiums, and provincial workers' compensation payments, levy, assessment, tariff, impost, imposition, toll and duty, whether computed on a separate, combined, unitary, or consolidated basis or any other manner, including any interest, penalties and fines associated therewith;

(tt) "**Third Party**" means any person who is not a Party, Affiliate or Representative;

(uu) "**Third Party Claim**" means any Claim by a Third Party asserted against the Vendor for which the Purchaser has indemnified the Vendor or is otherwise responsible for pursuant to this Agreement;

(vv) "**Time of Closing**" means 12:00 p.m. (Calgary, Alberta time) on the Closing Date or such other date and time as the Parties may agree in writing that the Closing shall take place;

(ww) "**Transaction**" means the transaction for the purchase and sale of the Purchased Assets and all of the auxiliary or related transactions contemplated in this Agreement;

(xx) "**Vendor's Interest**" means, when used in relation to any asset, undertaking or property, all the right, title and interest, if any, of the Vendor in such asset, undertaking or property; and

(yy) "**Vendor's Solicitor**" means Dentons Canada LLP, attention: Afshan Naveed.

### 1.2 Interpretation

The following rules of construction shall apply to this Agreement unless the context otherwise requires:

(a) All references to monetary amounts, unless indicated to the contrary, are to the lawful currency of Canada;

(b) Words importing the singular include the plural and vice versa, and words importing gender include the masculine, feminine and neuter genders;

(c) The word "include" and derivatives thereof shall be read as if followed by the phrase "without limitation";

(d) The words "hereto", "herein", "hereof', "hereby", "hereunder" and similar expressions refer to this Agreement and not to any particular provision of this Agreement;

(e) The headings contained in this Agreement are for convenience of reference only, and shall not affect the meaning or interpretation hereof;

(f) Reference to any Article, Section or Schedule means an Article, Section or Schedule of this Agreement unless otherwise specified;

(g) If any provision of a Schedule hereto conflicts with or is at variance with any provision in the body of this Agreement, the provisions in the body of this Agreement shall prevail to the extent of the conflict;

(h) All documents executed and delivered pursuant to the provisions of this Agreement are subordinate to the provisions hereof and the provisions hereof shall govern and prevail in the event of a conflict; and

(i) This Agreement has been negotiated by each Party with the benefit of legal representation, and any rule of construction to the effect that any ambiguities are to be resolved against the drafting Party does not apply to the construction or interpretation of this Agreement.

### 1.3 Interpretation if Closing Does Not Occur

If Closing does not occur, each provision of this Agreement which presumes that the Purchaser has acquired the Purchased Assets shall be construed as having been contingent upon Closing having occurred.

## ARTICLE 2
## PURCHASE AND SALE OF PURCHASED ASSETS

### 2.1 Agreement of Purchase and Sale

Subject to the terms and conditions of this Agreement, the Vendor hereby agrees to sell, assign and transfer to the Purchaser, and the Purchaser agrees to purchase from the Vendor all of the Vendor's Interest in the Purchased Assets free and clear of all Encumbrances other than Permitted Encumbrances.

### 2.2 Transfer of Purchased Assets

Provided that Closing occurs and subject to the terms and conditions of this Agreement, possession, risk and beneficial ownership of the Purchased Assets shall transfer from the Vendor to the Purchaser on the Closing Date.

### 2.3 Assumption of Environmental Liabilities

In determining the Purchase Price, the Parties have taken into account Purchaser's assumption of responsibility for the payment of all costs for existing or future Environmental Liabilities associated with the Purchased Assets, as set forth in this Agreement, and the absolute release of the Debtor and Vendor of all and any responsibility or liability therefor.

## ARTICLE 3
## PURCHASE PRICE

### 3.1 Purchase Price

The purchase price to be paid by the Purchaser to the Vendor for the Purchased Assets shall be **CAD $** [redacted] (the "**Purchase Price**") as adjusted pursuant to Section 3.5.

### 3.2 Deposit

(a) Within five (5) business days of mutual acceptance between the Purchaser and Vendor of this Asset Purchase Agreement, the Purchaser shall pay the Vendor a deposit in the amount of [redacted] of the Purchase Price (the "**Deposit**");

(b) The Deposit will be held in trust by the Receiver or its legal counsel in a trust account for and on behalf of the Vendor and shall be releasable in accordance with the terms of this Agreement. If Closing occurs in accordance with the terms and conditions of this Agreement, the Deposit shall be credited against the Purchase Price, in partial satisfaction of the Purchaser's obligation to pay the Purchase Price at Closing; and

(c) If Closing does not occur prior to the waiver and/or satisfaction of all conditions required to be waived and/or satisfied pursuant to Sections 6.1 and 6.2 of this Agreement for any reason, the Deposit shall be returned to the Purchaser within ten (10) Business Days of Vendor's receipt of written notice of non-waiver. If Closing does not occur following the waiver and/or satisfaction of all conditions required to be waived and/or satisfied pursuant to Sections 6.1 and 6.2 of this Agreement for any reason, the Vendor shall be entitled to retain the Deposit, the full amount of the Deposit shall be forfeited to the Vendor, and in any such case this Agreement shall thereupon terminate and each Party shall be released from all obligations and liabilities under or in connection with this Agreement. The Parties agree that the amount of the Deposit constitutes a genuine pre-estimate of liquidated damages representing the Vendor's Losses as a result of Closing not occurring and agree that the Vendor shall not be entitled to recover from the Purchaser any amounts that are in excess of the Deposit as a result of Closing not occurring. The Purchaser hereby waives any claim or defence that the amount of the Deposit is a penalty or is otherwise not a genuine pre-estimate of the Vendor's damages.

### 3.3 Payment of the Purchase Price

The Purchaser shall pay to the Vendor at Closing, by certified cheque, bank draft or electronic wire transfer, the adjusted Purchase Price as set forth in the Interim Statement of Adjustments (including applicable GST), less the Deposit.

### 3.4 Allocation of the Purchase Price

The Purchase Price shall be allocated among the Purchased Assets as mutually agreed by the Parties on the Closing Date.

### 3.5 Adjustments

(a) Subject to Section 3.5(c), all adjustments relating to the Purchased Assets, both incoming and outgoing, including property taxes, other Taxes, local improvement charges, utilities, costs and revenues incurred, accruing, payable, paid, received or receivable in respect of the Purchased Assets, including rentals, maintenance, development, capital and operating costs, advances, and payments with respect to Permitted Encumbrances and all other matters customarily the subject of adjustment on the sale of assets similar to the Purchased Assets shall, subject to the provisions of this Agreement, be apportioned on an accrual basis between the Vendor and the Purchaser as of the Effective Time, on and subject to the following:

(i) except as otherwise provided in this Section 3.5, costs and revenues shall accrue in accordance with GAAP;

(ii) all such costs and revenues accruing up to the Effective Time shall be for the Vendor's account and all costs and revenues accruing after the Effective Time shall be for the Purchaser's account;

(iii) all rentals, property taxes and other periodic payments (other than income taxes) shall be apportioned between the Vendor and the Purchaser on a per diem basis as of the Effective Time with all rentals, property taxes and other periodic payments accrued to the Effective Time for the Vendor's account and all rentals, property taxes and other periodic payments accrued after the Effective Time for the Purchaser's account;

(iv) there shall not be any adjustment on account of income taxes; and

(v) the Purchaser shall be solely responsible for all costs in preparing and registering and/or distributing any specific conveyances required in connection with the Transaction;

(b) The Vendor shall carry out an interim accounting and adjustment and prepare and deliver to the Purchaser at least three (3) Business Days prior to the Closing Date a statement setting forth the Vendor's good faith estimate of all adjustments to be made pursuant to this Section 3.5 (the "**Interim Statement of Adjustments**");

(c) The Vendor shall carry out a final accounting and adjustment and prepare and deliver to the Purchaser a statement setting forth all adjustments to be made pursuant to this Section

3.5 no later than thirty (30) days following the Closing Date (the "**Final Statement of Adjustments**"); and

(d) All adjustments shall be settled by the prompt payment by any Party obliged to make payment pursuant to this Agreement. Interest at the Prime Rate plus 2% per annum shall be paid on any adjustment which remains unpaid by one Party to another Party 30 days after receipt of the notice that adjustment is to be paid from such 30th day to the date of payment.

### 3.6 GST

The Purchase Price contemplated under this Agreement does not include GST. The Purchaser shall be liable for and pay to the Vendor the GST payable in connection with the purchase and sale of the Purchased Assets contemplated in this Agreement. If the Purchaser is a GST registrant under the GST Legislation, GST shall not be paid provided that the Purchaser provides the Vendor with its GST number, indemnifies the Vendor with respect to GST, and files a return as required by the GST Legislation. The Purchaser hereby indemnifies and saves harmless the Vendor from any GST, and related penalty, interest and other amounts which may be payable by or assessed against the Vendor under the GST Legislation as a result of or in connection with the subject transaction or the Vendor's failure to collect and remit the GST applicable on the sale of the Purchased Assets to the Purchaser.

### 3.7 No Right to Reduction in Purchase Price

Notwithstanding anything to the contrary in this Agreement, the Purchaser acknowledges and agrees that it shall have no right or other entitlement to any set-off, abatement or reduction in the Purchase Price as a result of, arising from or in connection with any claim against the Debtor or the Vendor, including in respect of any deficiency or allegation of deficiency in respect of the Purchased Assets, including, without limitation, any Environmental Liability or deficiency or title deficiency.

## ARTICLE 4
## REPRESENTATIONS AND WARRANTIES

### 4.1 Purchaser's Representations and Warranties

The Purchaser hereby represents and warrants to and in favour of the Vendor that:

(a) the Purchaser is a corporation duly incorporated and validly subsisting under the laws of the Province of Alberta and the jurisdiction of its incorporation and has the requisite power and authority to enter into this Agreement and to complete the Transaction;

(b) the Purchaser has taken all necessary corporate action to authorize the entering into and performance by it of this Agreement;

(c) provided that Court Approval is obtained, execution, delivery and performance of this Agreement by the Purchaser does not and will not require any consent, approval, authorization or other order of, action by, filing with or notification to, any Governmental Authority, except where failure to obtain such consent, approval, authorization or action, or to make such filing or notification, would not prevent or materially delay the consummation by the Purchaser of the Transaction;

(d) provided Court Approval is obtained, the consummation of the Transaction will not constitute or result in a material violation, breach or default by it under any provision of any agreement or instrument to which it is a party or by which is it bound or any judgment, law, decree, order or ruling applicable to it;

(e) it is acquiring the Purchased Assets in its capacity as a principal and is not purchasing the Purchased Assets as agent or representative of any third party;

(f) this Agreement has been duly executed and delivered by the Purchaser and constitutes a legal, valid and binding obligation of the Purchaser and is enforceable against the Purchaser in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization or similar Applicable Laws relating to creditors' rights generally and subject to general principles of equity;

(g) there is no requirement for the Purchaser to make any filing with, give any notice to, or obtain any authorization of, any Governmental Authority pursuant to the *Competition Act* (Canada), as a result of, in connection with, or as a condition to the lawful completion of the Transaction; and

(h) the Purchaser is not a non-Canadian person within the meaning of the *Investment Canada Act* nor a non-resident for the purposes of the *Income Tax Act*.

4.2 **No Representations and Warranties by the Vendor**

(a) Neither the Vendor nor any of its Representatives makes any representations or warranties, and in particular, and without limiting the generality of the foregoing, the Vendor disclaims and neither the Vendor nor any of its Representatives shall be liable for any representation or warranty which may have been made or alleged to be made in any instrument or document related hereto, or in any statement or information made or communicated to the Purchaser in any manner including any opinion, information, or advice which may have been provided to the Purchaser by the Vendor or any of its Representatives in connection with the Purchased Assets or in relation to the Transaction. For greater certainty, but without limiting the generality of the foregoing, neither the Vendor nor any of its Representatives makes any condition, representation or warranty, express or implied, with respect to:

(i) the Data Room Information or any other data or information supplied by the Vendor or any of its Representatives in connection with the Purchased Assets, including by way of management presentations or otherwise;

(ii) the value of any of the Purchased Assets or the future cash flow therefrom;

(iii) the quality, condition, description, fitness for purpose, suitability, serviceability or merchantability of the Purchased Assets for any purpose whatsoever;

(iv) the quality, status and enforceability of any Leases affecting the Purchased Assets or the default status of any respective tenants; or

(v) any defects, errors or omissions on or in the Purchased Assets, or any other conditions (whether patent, latent or otherwise), including, without limitation, soil

quality, environmental contamination (including Environmental Liabilities) and geological stability, affecting the Purchased Assets;

(b) The descriptions of the Purchased Assets are for purposes of identification only and no condition, warranty, or representation has been or will be given by the Vendor concerning the accuracy, completeness or any other matter concerning those descriptions;

(c) The Purchaser acknowledges and confirms that it is relying on its own investigations concerning the Purchased Assets and it has not relied on advice from the Vendor or any of its Representatives with respect thereto, including with respect to the matters specifically enumerated in Sections 4.2(a) and 4.2(b) of the immediately preceding paragraphs in connection with the purchase of the Purchased Assets pursuant to this Agreement. The Purchaser further acknowledges and agrees that it is acquiring the Purchased Assets on an "**as is, where is**" basis and there are no representations, warranties, or conditions made in respect of the Purchased Assets except as expressly set out herein. The Purchaser acknowledges and agrees that it is: (i) familiar with the condition of the Purchased Assets, (ii) relying on its own inspections and reviews in all respects, and (iii) not relying upon any representations or warranties of the Vendor as to the condition of the Purchased Assets; and

(d) Except for its express rights under this Agreement, the Purchaser hereby waives all rights and remedies (whether now existing or hereinafter arising and including all common law, tort, contractual and statutory rights and remedies) against the Vendor and its Representatives in respect of the Purchased Assets or the Transaction or any representations or statements made or information or data furnished to the Purchaser or its Representatives in connection herewith (whether made or furnished orally or by electronic, faxed, written or other means).

## ARTICLE 5
## COVENANTS

### 5.1 Leases, Licences, Certificates and Third Party Consents

(a) Both before and after Closing, the Purchaser shall use all commercially reasonable efforts to obtain any and all approvals, licences and permits required under Applicable Law and any and all material consents of Third Parties required to permit the Transaction to be completed or that may be required for the Purchaser to own and operate the Purchased Assets. The Purchaser acknowledges that the Vendor has no obligation to transfer any Leases or permits or licences to the Purchaser, and that the Purchaser is solely responsible for obtaining consent to transfer the Leases. Without limiting the generality of the foregoing, it is the sole obligation of the Purchaser, at the Purchaser's sole cost and expense, to:

(i) obtain and pay the cost of any consents, permits, licences, certificates, including but not limited to, estoppel certificates from the condominium corporation, assignments, registration fees, attorney and agent fees, filing fees, issue fees or other authorizations and assignments necessary or desirable for the transfer of such right, title and interest, to the Purchaser or for the operation or use of the Purchased Assets;

(ii) obtain all Third Party consents that are required to complete the Transaction and own and operate the Purchased Assets;

(iii) obtain the consent to transfer the Leases, if at all; and

(iv) provide any and all financial assurances that may be required by Governmental Authorities or any Third Parties to permit the transfer to the Purchaser of any of the Purchased Assets.

However, to the extent the Vendor is able to transfer any leases, permits or licences to the Purchaser, the Vendor will use reasonable efforts to transfer such leases, permits and licences to the Purchaser, provided that the Purchaser pays all costs associated with such transfer.

(b) The Purchaser acknowledges that the transfers of Leases shall not be a condition precedent to Closing and that the Purchaser may not obtain transfers of Leases at all.

### 5.2 Court Approval

The Vendor shall prepare all materials, and shall promptly apply to the Court for, and use its commercially reasonable efforts to obtain, the Court Approval as soon as reasonably practicable following the dates set forth herein. The Purchaser, at its own expense, shall promptly provide to the Vendor all such information and assistance within the Purchaser's power as the Vendor may reasonably request to obtain the Court Approval, including such information as may be required to reasonably evaluate the Purchaser's financial ability to perform its obligations hereunder. The application for Court Approval may be adjourned or rescheduled by the Vendor or its Representatives upon notice to the Purchaser.

### 5.3 Environmental Matters

The Purchaser acknowledges that, insofar as the Environmental condition of the Purchased Assets is concerned, the Purchaser is acquiring the Purchased Assets pursuant hereto on an "**as is, where is**" basis. The Purchaser acknowledges that it is familiar and satisfied with the condition of the Purchased Assets, including the past and present use of the Purchased Assets, that the Vendor has provided the Purchaser with a reasonable opportunity to inspect the Purchased Assets at the sole cost, risk and expense of the Purchaser (insofar as the Vendor could reasonably provide such access) and that the Purchaser is not relying upon any representation or warranty of the Vendor as to the Environmental condition of the Purchased Assets, or as to any Environmental Liabilities. Provided that Closing has occurred, the Purchaser shall:

(a) be solely liable and responsible for any and all Losses which the Vendor and its Representatives may suffer, sustain, pay or incur; and

(b) indemnify, release and save harmless the Vendor and its Representatives from any and all Losses, actions, proceedings and demands, whatsoever which may be brought against or suffered by the Vendor or which the Vendor may sustain, pay or incur,

as a result of any matter or thing arising out of, resulting from, attributable to or connected with any Environmental Liabilities. Once Closing has occurred, the Purchaser shall be solely responsible for all Environmental Liabilities both to Third Parties and as between the Vendor and the Purchaser (whether such Environmental Liabilities occur or accrue prior to, on or after the Closing Date), and hereby releases the

Vendor from any Claims the Purchaser may have against the Vendor with respect to all such liabilities and responsibilities. Without restricting the generality of the foregoing, the Purchaser shall be responsible for all Environmental Liabilities (whether such Environmental Liabilities occur or accrue prior to, on or after the Closing Date) in respect of the Purchased Assets. This assumption of liability and indemnity by the Purchaser shall apply without limit and without regard to cause or causes, including the negligence (whether sole, concurrent, gross, active, passive, primary or secondary) or the wilful or wanton misconduct or recklessness of any or all of the Vendor, its Representatives and their respective successors and assigns or any other Person otherwise. The Purchaser further acknowledges and agrees that it shall not be entitled to any rights or remedies as against the Vendor or its Representatives, or their respective successors and assigns under the common law or statute pertaining to any Environmental Liabilities, including the right to name any or all of the Vendor, its Representatives, and their respective successors and assigns as a 'third party' to any action commenced by any Person against the Purchaser. The Purchaser's assumption of liability and the indemnity obligation set forth in this Section 5.3 shall survive the Closing Date indefinitely.

## ARTICLE 6
## CONDITIONS

### 6.1 Mutual Conditions

The respective obligations of the Parties to complete the Transaction are subject to the following conditions being fulfilled or performed as at or prior to the dates stated below:

(a) Court Approval shall have been granted on or before thirty (30) days after waiver or satisfaction of the conditions set forth in Section 6.2 herein;

(b) no injunction or other order has been issued to enjoin, restrict or prohibit the Transaction as at or prior to the Time of Closing; and

(c) on the Closing Date, the Closing is not otherwise prohibited by Applicable Law.

The foregoing conditions are for the mutual benefit of the Vendor and the Purchaser and may be asserted by the Vendor or the Purchaser regardless of the circumstances and may be waived only with the Agreement of both the Vendor and the Purchaser.

### 6.2 Conditions for the Benefit of the Purchaser

The obligation of the Purchaser to complete the Transaction is subject to the following conditions having been fulfilled, performed, waived or satisfied by the Purchaser in writing, or satisfied in its sole discretion on or before the dates stated below:

(a) the Vendor has complied with and performed, in all material respects, all of its covenants and obligations contained in this Agreement as at or prior to the Time of Closing.

(b) The Purchaser securing new financing terms suitable to the Purchaser within fourteen (14) business days upon conditional acceptance of this Asset Purchase Agreement.

(c) The Purchaser's satisfaction with the results of its review of a full set of current Condominium Documents to be provided by the Vendor, as well as any disclosure documents the Vendor has knowledge of and can provide within fourteen (14) business days upon conditional acceptance of this Asset Purchase Agreement.

The foregoing condition is for the exclusive benefit of the Purchaser and may be waived by it in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which the Purchaser may have. If any of the said conditions have not been complied with or waived by the Purchaser at or before the Time of Closing, as applicable, the Purchaser may terminate this Agreement by written notice to the Vendor.

### 6.3 Conditions for the Benefit of the Vendor

The obligation of the Vendor to complete the Transaction is subject to the following conditions being fulfilled or performed as at or prior to the Time of Closing:

(a) all representations and warranties of the Purchaser contained in this Agreement shall be true and correct in all material respects as at the Time of Closing with the same force and effect as if made at and as of such time and the Purchaser shall have delivered to the Vendor a certificate to that effect;

(b) the Purchaser has complied with and performed in all material respects all of its covenants and obligations contained in this Agreement; and

(c) no Party comprising the Vendor has lost its ability to convey the Purchased Assets or any of them due to an order of the Court or otherwise pursuant to the Receivership Proceedings, provided such order or other action pursuant to the Receivership Proceedings is not at the voluntary initiative of the Vendor.

The foregoing conditions are for the exclusive benefit of the Vendor and may be waived by it in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which the Vendor may have. If any of the said conditions have not been complied with or waived by the Vendor at or before the Time of Closing, the Vendor may terminate this Agreement by written notice to the Purchaser.

### 6.4 Satisfaction of Conditions

Each of the Parties shall proceed diligently and in good faith and use all commercially reasonable efforts to fulfill and assist in the fulfillment of the conditions set forth in Sections 6.1, 6.2 and 6.3. In addition, each of the Parties agrees not take any action that could reasonably be expected to preclude, delay or have an adverse effect on the Transaction or, in the case of the Purchaser, that would render, or may reasonably be expected to render, any representation or warranty made by the Purchaser in this Agreement untrue in any material respect.

## ARTICLE 7
## CLOSING

### 7.1 Closing Date and Place of Closing

Subject to the conditions set out in this Agreement, the Transaction shall close and be completed on the Closing Date. The completion of the Transaction shall take place at the Time of Closing at the offices of the Receiver's solicitors, or at such other time or such other location as the Parties may agree in writing.

### 7.2 Deliveries on Closing by the Vendor

The Vendor shall deliver to the Purchaser's Solicitors in sufficient time to allow for registration at the Land Titles Office the following documents (the "**Closing Documents**") fully executed by the Vendor, where applicable, or such other parties as may be specified (other than the Purchaser), in each case, on such reasonable trust conditions and undertakings that are consistent with the provisions of this Agreement (and, if applicable, allow for the use of title insurance to close this transaction) and as would customarily be imposed in a similar receivership transaction in the City of Calgary, Alberta, subject to Section 7.3:

(a) a certified copy of the Court Approval;

(b) a registrable transfer of land for the Property duly executed by the Vendor;

(c) the Interim Statement of Adjustments (which for clarity, shall be delivered prior to Closing as specified in Section 3.5(b));

(d) all keys, codes, combinations and other access devices to the Purchased Assets in the Vendor's possession and control; and

(e) such other documents as are required by this Agreement.

### 7.3 Deliveries on Closing by the Purchaser

The Purchaser shall deliver to the Vendor's Solicitor by the Time of Closing on the Closing Date the following instruments and documents, fully executed by the Purchaser, where applicable, or such other Parties as may be specified:

(a) the Purchase Price payable in cash by certified cheque, bank draft or electronic wire transfer to the Vendor in accordance with Section 3.3; and

(b) such other documents as are required by this Agreement.

### 7.4 Risk and Insurance

The risk of loss of the Purchased Assets shall remain with the Vendor until Closing. Any property, liability and other insurance maintained by the Vendor shall not be transferred as of the Time of Closing, but shall remain the responsibility of the Vendor until the Time of Closing. The Purchaser shall be responsible for placing its own property, liability and other insurance coverage with respect to the Purchased Assets in respect of the period from and after the Time of Closing.

## ARTICLE 8
## INDEMNITY

### 8.1 Indemnification Given by Purchaser

If Closing occurs, the Purchaser shall:

(a) be liable to the Vendor for; and

(b) as a separate covenant, indemnify the Vendor and its Representatives from and against,

all Losses suffered, sustained, paid or incurred by any of them to the extent arising or accruing on or after the Effective Time and which relate to the Purchased Assets, including all Losses attributable to the ownership, operation, use, construction or maintenance of the Purchased Assets arising or accruing on or after the Effective Time and in respect of the indemnities specified in Section 5.3. The Purchaser's indemnity obligation set forth in this Section 8.1 shall survive the Closing Date indefinitely.

8.2 **Third Party Claims**

(a) If the Vendor receives notice of the commencement or assertion of any Third Party Claim for which the Purchaser is liable pursuant to this Agreement, the Vendor shall give the Purchaser reasonably prompt notice thereof, but in any event no later than 14 days after receipt of such notice of such Third Party Claim. Such notice to the Purchaser shall describe the Third Party Claim in reasonable detail and shall indicate, if reasonably practicable, the estimated amount (or the method of computation of the amount) of the Loss that has been or may be sustained by the Vendor, and a reference to the provisions of this Agreement upon which such claim is based;

(b) The Purchaser may participate in the defence of any Third Party Claim by giving notice to that effect to the Vendor not later than 14 days after receiving notice of that Third Party Claim (the "**Notice Period**") so long as: (i) the Purchaser first acknowledges to the Vendor, in writing, liability to the Vendor under this Agreement with respect to such Third Party Claim and that the outcome of such Third Party Claim does not alter or diminish the Purchaser's obligation to indemnify the Vendor pursuant to this Agreement, subject to the Purchaser's right to contest in good faith the Third Party Claim; (ii) the Purchaser has the financial resources to defend against the Third Party Claim and fulfill any indemnification obligations and has provided the Vendor with evidence thereof; (iii) the Third Party Claim involves monetary damages; and (iv) the Purchaser participates in the defence of the Third Party Claim actively and diligently. The Purchaser's right to do so shall be subject to the rights of any insurer or other third party who has potential liability in respect of that Third Party Claim. The Purchaser shall pay all of its own expenses of participating in or assuming such defence. The Vendor shall cooperate in good faith in the defence of each Third Party Claim and may participate in such defence assisted by counsel of its own choice at its own expense; and

(c) If the Vendor has not received notice within the Notice Period that the Purchaser has elected to participate in the defence of such Third Party Claim, or if the Purchaser has given such notice but thereafter fails or is unable to participate in the defence of such Third Party Claim actively and diligently, the Vendor may, at its option, elect to settle or compromise the Third Party Claim on terms of its choosing, or assume such defence assisted by counsel of its own choosing, and the Purchaser shall be liable for all reasonable costs and expenses paid or incurred in connection therewith (including legal fees on a solicitor and its own client, full indemnity basis) and any Loss suffered or incurred by the Vendor with respect to such Third Party Claim.

8.3 **Failure to Give Timely Notice**

A failure to give timely notice as provided in this Article 8 shall not affect the rights or obligations of any Party except and only to the extent that, as a result of such failure, any Party which was entitled to receive

such notice was deprived of its right to recover any payment under any applicable insurance coverage or was otherwise prejudiced as a result of such failure.

### 8.4 No Merger

There shall not be any merger of any liability or indemnity hereunder in any assignment, conveyance, transfer or document delivered pursuant hereto notwithstanding any rule of law, equity or statute to the contrary and all such rules are hereby waived.

## ARTICLE 9
## TERMINATION

### 9.1 Grounds for Termination

This Agreement may be terminated at any time prior to Closing by either the Vendor or the Purchaser (as applicable) if the conditions for the benefit of the Vendor or Purchaser (as applicable), or both, pursuant to the provisions of Article 6 are not satisfied or waived by or on the date specified for satisfaction or waiver.

### 9.2 Effect of Termination

Notwithstanding any termination of this Agreement by the Vendor or the Purchaser as permitted under Section 9.1, the provisions of Sections 10.1, 10.3, 10.4, 10.10 and 10.13 shall remain in full force and effect following any such permitted termination, and the Deposit shall be governed by Section 3.2.

## ARTICLE 10
## MISCELLANEOUS

### 10.1 Public Announcements

The Confidentiality Agreement remains in full force and effect notwithstanding the execution and delivery of this Agreement, and/or the Closing. If the Purchaser intends to issue a press release or other public disclosure of this Agreement, the terms hereof or the Transaction, the Purchaser shall provide the Vendor with an advance copy of any such press release or public disclosure not later than five (5) Business Days prior to the actual press release date or public disclosure date in order to provide the Vendor sufficient time to review such press release or other public disclosure and provide any comments. The Purchaser shall not issue such press release or other public disclosure without the prior written consent of the Vendor. Nothing in this provision shall apply to the Vendor's efforts to seek and obtain Court Approval.

### 10.2 Obligations to Survive

The obligations, covenants, representations and warranties (if any) of the Parties set out in this Agreement shall survive Closing, shall remain in full force and effect, shall not merge as a result of Closing and shall be binding on the Parties thereafter.

### 10.3 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta, and the federal laws of Canada applicable therein (excluding any conflict of law rule or principle of such laws that might refer such interpretation or enforcement to the laws of another jurisdiction). Each Party

irrevocably submits to the exclusive jurisdiction of the Court with respect to any matter arising hereunder or relating hereto (located, where available, in the judicial district of Calgary).

### 10.4 Damages

Under no circumstance shall any of the Parties, their Representatives or their respective directors, officers, employees or agents be liable for any punitive, exemplary, consequential or indirect damages (including for greater certainty, any loss of profits) that may be alleged to result, in connection with, arising out of, or relating to this Agreement or the Transaction.

### 10.5 Further Assurances

Each of the Parties hereto from and after the date hereof shall, from time to time, and at the request and expense of the Party requesting the same, do all such further acts and things and execute and deliver such further instruments, documents, matters, papers and assurances as may be reasonably requested to complete the Transaction and for more effectually carrying out the true intent and meaning of this Agreement.

### 10.6 No Assignment by Purchaser

The Purchaser shall not, without the Vendor's prior written consent, assign any right or interest in this Agreement, which consent may not be unreasonably withheld.

### 10.7 Waiver

No failure on the part of any Party in exercising any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or remedy preclude any other or further exercise thereof or the exercise of any right or remedy in law or in equity or by statute or otherwise conferred. No waiver by any Party of any breach (whether actual or anticipated) of any of the terms, conditions, representations or warranties contained herein shall take effect or be binding upon that Party unless the waiver is expressed in writing under the authority of that Party. Any waiver so given shall extend only to the particular breach so waived and shall not limit or affect any rights with respect to any other or future breach.

### 10.8 Amendment

This Agreement shall not be varied in its terms or amended by oral agreement or by representations or otherwise other than by an instrument in writing dated subsequent to the date hereof, executed by a duly authorized representative of each Party.

### 10.9 Time of the Essence

Time is of the essence in this Agreement.

### 10.10 Costs and Expenses

Each Party shall be responsible for all costs and expenses (including the fees and disbursements of legal counsel, bankers, investment bankers, accountants, brokers and other advisors) incurred by it in connection with this Agreement and the Transaction. No Party shall be responsible for the costs and expenses of the other Party.

10.11 **Notices**

Any notice, demand or other communication required or permitted to be given to any Party shall be given in writing and addressed as follows:

(a) in the case of the Vendor or the Receiver:

BDO Canada Limited
110, 5800 -2nd Street SW
Calgary, AB T2H 0H2
Attention: Kevin Meyler / Angelo Consoli
Fax: 403-640-0591
Email: kmeyler@bdo.ca / aconsoli@bdo.ca

and with a copy to the Receiver's solicitors:

Dentons Canada LLP
15 Floor Bankers Court
850 – 2nd Street SW
Calgary, AB, Canada T2P 0R8
Attention: Afshan Naveed
Fax: 403-268-3100
Email: afshan.naveed@dentons.com

(b) In the case of the Purchaser:

S & O Law Holdings Inc.
840, 396 11 Avenue SW
Calgary, Alberta T2R 0C5
Attention: Michael Oykhman
Fax: (403) 234-0337
Email: MichaelOykhman@so-law.ca

And with a copy to the Purchaser's solicitors:

Hoffman Dorchik LLP
600, 5920 Macleod Trail South
Calgary, Alberta T2H 0K2
Attention: Gordon Hoffman
Fax: (403) 253-0738
Email: corporate@hdllp.ca for Beverley Miller, Corporate Paralegal, and realestate@hdllp.ca for Manny Gademer, Real Estate Paralegal.

Any such notice, if personally delivered, shall be deemed to have been validly and effectively given and received on the Business Day of such delivery and if sent by facsimile or other electronic communication with confirmation of transmission, shall be deemed to have been validly and effectively given and received on the Business Day next following the day it was received.

### 10.12 Enurement

This Agreement shall be binding upon, and enure to the benefit of, the Parties and their respective successors and permitted assigns.

### 10.13 Third Party Beneficiaries

Each Party intends that this Agreement shall not benefit or create any right or cause of action in or on behalf of any person other than the Parties and their successors and permitted assigns, and no person, other than the Parties and their successors and permitted assigns shall be entitled to rely on the provisions hereof in any action, suit, proceeding, hearing or other forum.

### 10.14 Severability

If any provision of this Agreement or any document delivered in connection with this Agreement is partially or completely invalid or unenforceable, the invalidity or unenforceability of that provision shall not affect the validity or enforceability of any other provision of this Agreement, all of which shall be construed and enforced as if that invalid or unenforceable provision were omitted. The invalidity or unenforceability of any provision in one jurisdiction shall not affect such provision validity or enforceability in any other jurisdiction.

### 10.15 Entire Agreement

This Agreement (and the Confidentiality Agreement) constitute the entire agreement between the Parties with respect to the subject matter hereof and cancel and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, between the Parties with respect to the subject matter hereof. There are no conditions, covenants, agreements, representations, warranties or other provisions, whether oral or written, express or implied, collateral, statutory or otherwise, relating to the subject matter hereof other than those contained in this Agreement.

### 10.16 Counterparts

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which shall constitute one and the same agreement. Transmission by facsimile or other electronic means of an executed counterpart of this Agreement shall be deemed to constitute due and sufficient delivery of such counterpart.

***[Remainder of page intentionally left blank; Signature page follows]***

**IN WITNESS WHEREOF** this Agreement has been properly executed by the Parties as of the date first above written.

**BDO CANADA LIMITED** in its capacity as Receiver, without security, of all of the current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof, of the Debtor, and not in its personal or corporate capacity

Per: _____

Name: Kevin Meyler

Title: Senior Vice President

**S & O LAW HOLDINGS INC.**

Per: box SIGN 1X3Q2K3Z-1VPJX666

Name: Michael Oykhman

Title: Secretary Treasurer

**S & O LAW HOLDINGS INC.**

Per: _____

Name:

Title:

## SCHEDULE "A"

## PERMITTED ENCUMBRANCES

1. The reservations, limitations, exceptions, provisos and conditions, if any, expressed in any original grants from the Crown, including, without limitation, the reservation of any mines and minerals in the Crown or in any other person and any implied conditions set out in s.61 of the Land Titles Act (Alberta) as amended, replaced or restated from time to time;

2. Encumbrances given as security to a public utility or any Governmental Authority when required in the ordinary course of business but only insofar as they relate to any obligations or amounts not due as at the Closing Date;

3. All rights reserved to or vested in any Governmental Authority pursuant to Applicable Law to control or regulate the Property in any manner, including any unregistered, undetermined or inchoate liens, levies or claims in favour of the Crown, any province or municipality or any Governmental Authority;

4. Rights of expropriation, access or use or any similar right conferred or reserved by or in any statute of Alberta or Canada;

5. Applicable municipal by-laws, development agreements, subdivision agreements, site plan agreements, servicing agreements, cost sharing reciprocal agreements and building and zoning restrictions and other similar agreements;

6. Any easements, servitudes, rights-of-way, licences, agreements, restrictions that run with the land and other Encumbrances (including easements, rights-of-way and agreements for railways, sewers, drains, gas and water mains or electric light and power or telephone, telecommunications or cable conduits, poles, wires and cables);

7. Any privilege in favour of any lessor, licensor or permitter for rent to become due or for other obligations or acts, the performance of which is required under contracts of the Vendor so long as the payment or the performance of such other obligation or act is not delinquent and provided that such Encumbrances or privileges do not materially affect the use or the operation of the assets affected thereby;

8. Any Encumbrances permitted by an order of the Court and acceptable to the Purchaser;

9. The interests of any lessors in respect of the Leases; and

10. The following specific instruments registered against the title(s) to the Property:

| Instrument Number | Particulars |
|---|---|
| **811 189 224** | **Caveat re: Development Agreement** |
| **871 196 346** | **Caveat re: Assumption Agreement** |
| **871 216 064** | **Caveat re: Amending Agreement** |
| **081 115 590** | **Restrictive Covenant** |

# APPENDIX “D”

**Safeguard Real Estate Investment Fund IV Limited Partnership and**
**CEP LP Investment Corp. - In Receivership**
**Interim Statement of Receipts and Disbursements**
**For the period December 4, 2020 to October 31, 2024**

| | | Total |
|---|---|---|
| **RECEIPTS** | | |
| Advance from secured creditor | $ | 2,650,000 |
| Rental Income | | 2,006,214 |
| Sale of assets | | 1,073,594 |
| Miscellaneous Receipts | | 95,559 |
| Cash in bank | | 3,419 |
| Pre-Receivership GST refund | | 1,206 |
| Tenant Deposits | | 1,300 |
| Total Receipts | | 5,831,292 |
| **DISBURSEMENTS** | | |
| Property taxes | | 2,631,103 |
| Condo Fees | | 2,304,941 |
| Receiver Fees | | 319,991 |
| Insurance | | 155,163 |
| Receiver's Legal Fees and Disbursements | | 124,574 |
| Commission re Property tax reassessments | | 84,020 |
| Realtor commission | | 40,944 |
| Outside consulting | | 38,980 |
| GST (net) | | 25,496 |
| Repairs and maintenance | | 1,145 |
| Bank Fees | | 502 |
| Filing Fees | | 143 |
| Total Disbursements | | 5,727,002 |
| **CASH ON HAND** | $ | 104,291 |